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ABSTRACT

Research on the implementation of the Job Training Partnership Act (JTPA) included a sample of more than 20,000 people in 16 service delivery areas (SDAs). The random assignment model for the study produced estimates of the impact of the overall JTPA program in this sample of SDAs, plus separate impact estimates for individuals recommended for classroom occupational training and on-the-job training. Because some SDAs declined to participate due to fears that the study would disrupt or have a later negative impact on their operations, the U.S. Department of Labor and the research team altered the exclusion rules for the control group, provided technical assistance to help SDAs and service providers meet enrollment goals, simplified the research design, increased the compensation for sites' efforts, and urged states to administer the performance standards system flexibly. The following lessons for future research were developed: (1) when research goals conflict, priorities must be set quickly so that a realistic plan can be developed; (2) if generalizable findings are necessary, major adjustments may have to be made in the study design to recruit a representative sample; (3) if participation by sites is voluntary, sites must be offered incentives to participate; (4) implementing a random assignment research design changes the operation of an ongoing program; and (5) technical assistance and staff training are important. (Appendices provide an overview of JTPA, profiles of the sites, tables comparing participating SDAs with others not participating; and 45 references.) (KC)

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IMPLEMENTING THE NATIONAL JTPA STUDY

Fred Doolittle
Linda Traeger

Manpower Demonstration
Research Corporation

April 1990

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The Authors

PREFACE

In some respects, this is an unusual report. The project it describes – the National JTPA (Job Training Partnership Act) Study – is ambitious, going beyond what has been attempted in past research. But the report is unusual in another way: It provides a detailed analysis of the "reconnaissance" preceding the start of a major study and ends where initial reports on projects often begin, by characterizing the research sample for the study.

The basic purpose of the report is to describe how the research team identified tradeoffs among the initial goals for the project and resolved them by adjusting the research plan's site selection and research procedures. While focusing on the National JTPA Study, the report draws a number of general lessons for researchers and policymakers concerned with social programs, especially the necessity of creating consonance between the goals of a study and the operational realities of the program. These lessons are summarized in the final chapter.

The process of developing the research plan and selecting sites was demanding because of a combination of three factors: the study's original goals, the character of the JTPA system, and the research method. The U.S. Department of Labor, which instituted the study, originally sought to evaluate JTPA in a randomly selected group of sites, without changing normal program operations. The goal was to achieve estimates of the impact of individual types of activities in addition to estimates of the overall impact of the local programs. Accomplishing these goals was complicated by the structure of JTPA – a highly decentralized, voluntary system offering a diversity of employment and training services. Local and, to a lesser extent, state officials play a central role in setting program priorities, and program services are continuously assessed by a performance standards system which, during the period covered by this report, emphasized high rates of job placement and low costs. For the reasons discussed in the first chapter of this report, the Department of Labor chose to use a classical experimental design, in which applicants are randomly assigned to either an experimental group (eligible to receive JTPA services) or a control group (eligible to receive only non-JTPA services in the community). This report is largely a discussion of how these three factors interacted and how, through a lengthy process of adjustments, the sites came to join the study under a research design that retained most – but not all – of the original goals of the study.

Judith M. Gueron
President

EXECUTIVE SUMMARY

Each year, programs funded under the Job Training Partnership Act (JTPA) of 1982 offer classroom vocational training, on-the-job training, job search assistance, and other services to nearly one million economically disadvantaged youth and adults. They are served through approximately 600 local JTPA agencies called service delivery areas or SDAs, which annually receive some $1.8 billion in federal funds under Title IIA, the largest part of the Act.

In common with all employment and training programs, JTPA aims to move jobless people into jobs. But reflecting criticism of past programs, the JTPA legislation put special emphasis on placing people into private sector jobs, containing costs, and assuring program accountability. The Act also required the Department of Labor – the federal agency overseeing JTPA – to conduct a study of how well services funded under the program were achieving their central objectives: increasing employment and earnings and reducing welfare receipt. The National JTPA Study is the department's major response to this charge; its subject is the impact of JTPA on adults and out-of-school youth served under Title IIA. This report is about the implementation of the study and the lessons that can be drawn for other research.

BACKGROUND OF THE STUDY

To understand the impact of employment and training programs, policymakers and program operators seek information on how well program participants fare in the labor market *over and above* what they would have done on their own, without the program. In other words, they need to know what difference a program makes.

Evaluation experts and policymakers have increasingly recognized that the most reliable studies of program impacts use random assignment – a process identical to a drawing, in which eligible applicants for a program are randomly assigned to a group to be served (the "treatment" or "experimental" group) or to a group not given access to the program (the "control" group). Because the two groups are created randomly, there is no systematic difference between them prior to random assignment. This means that the labor market experiences of the control group will provide an accurate benchmark for how the treatment group would have done without the program. Hence, by comparing the differences between the two groups -- for example, in levels of earnings or welfare receipt -- one can measure true program accomplishments and the difference the program has made.

Since 1975, random assignment studies have gained wide acceptance in the research community as the most reliable way of measuring the effectiveness of employment and training programs and, for this reason, the Department of Labor chose this method for the National JTPA Study. However, the department recognized that the task in the previous random assignment research was different from and in many ways simpler than that faced in the JTPA study.

Virtually all the past random assignment research analyzed new programs (some established as part of a demonstration); the JTPA study examines an established system of services. Most past studies analyzed a specific program model, with services offered through a single agency working, in some instances, with a few outside service providers. JTPA includes a wide variety of employment and training services offered by an often large and varied group of providers. Thus, the JTPA study requires complex coordination to negotiate detailed study procedures and to assure that the study is being properly implemented -- notably, that the members of the control group are not receiving JTPA-funded services anywhere in the local area. In most past random assignment research, only one type of client was targeted: welfare recipients or school dropouts, for example. Under Title IIA of JTPA, the clientele is far more diverse, including youth, adults, long-term welfare recipients, newly unemployed people, older workers, handicapped individuals, and others.

The questions to be answered are also more complex than in many past studies: In addition to the usual overall assessment of a program, the study calls for separate impact estimates for specific types of activities and particular groups of people within the sample. Finally, though sites were not required to participate in the study, the department sought to recruit a statistically representative sample of local programs in order to be able to generalize study findings to the entire JTPA system.

The character of the program or the nature of the research questions alone would have presented unusual challenges. Combined, they make the National JTPA Study a unique challenge.

IMPLEMENTING THE STUDY DESIGN

Despite these ambitious goals, the department and research team are now implementing a study design that will accomplish most of the project's original objectives. The final research design includes a sample of more than 20,000 people in 16 SDAs. The random assignment model for the study will produce estimates of the impact of the overall JTPA program in this sample of SDAs, plus separate impact estimates for individuals recommended for classroom occupational training and on-the-job training. Program impacts will be calculated for adult males, adult females, and out-of-school youth. Information on the employment, earnings, welfare receipt, and other experiences of members of the research sample will be collected for approximately 30 months following random assignment.[1]

One objective of the original study plan has not been achieved: recruitment of a statistically representative sample of sites. From the beginning of the project, it was understood that this would be difficult and time-consuming. In most SDAs, the SDA professional staff, the Private Industry Council, service providers, and local elected officials all weigh in on important decisions. Thus, people with widely varying perspectives had to be convinced that the study would not cause serious problems before an SDA would agree to participate. Many sites targeted for selection did not join the study because of qualms about how the research design would affect their operations.

The key reasons SDAs declined to participate included (1) misgivings about the nature of random assignment research and the study's effects on whom they might enroll, (2) problems meeting enrollment goals, which would intensify because one-third of their applicants would be diverted to the control group, (3) administrative burdens from the study, which they perceived as exceeding the study's benefits to them, and (4) apprehension that participating in the study might hamper their ability to meet JTPA performance standards (used to award special incentive funds) or might disrupt existing performance-based contracts with their service providers.

This report describes the responses developed to address these and other concerns as part of an iterative process of modifying the research design and consulting potential sites. To summarize the changes made: The department and research team altered the exclusion rules for the control group, provided technical assistance to help SDAs and service providers meet enrollment goals, simplified the research design somewhat to ease the administrative burden, increased the compensation for sites' efforts, and urged states to administer the performance standards system flexibly.

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[1] The National JTPA Study has two additional components: (1) a special study of the process of recruitment and selection of participants into JTPA, and (2) research using the random assignment field study as an opportunity to improve other methods of estimating program impacts.

Eventually, it was possible to recruit 16 sites that reflect the diversity of the JTPA system along a number of dimensions: region, size, ethnic composition, population density, and JTPA performance ratings. Hence the study will ascertain the impact of programs in a variety of local settings and for different types of clients. Nevertheless, the effort was a difficult one, and many sites chose not to participate.

LESSONS FOR FUTURE RESEARCH

This experience highlights a number of valuable lessons for future studies, including the following:

1. **When it becomes clear that research goals conflict, priorities must quickly be set so that a realistic plan can be developed.** In the JTPA study, the department chose to emphasize the goal of valid estimates of program impacts for the sites in the study (both overall and for specific treatments) over the goal of a strictly representative sample of sites. In other studies, different choices might be made, but early determination of research priorities can conserve time and resources.

2. **If generalizable findings are the highest priority, major adjustments in the study design may be needed to recruit a statistically representative sample of sites.** Possible adjustments in the JTPA study might have included an easier-to-implement random assignment design that answers fewer questions, greater financial support for participating sites, and mandatory participation for selected sites. All these solutions pose tradeoffs with other research goals.

3. **If participation by sites is voluntary, sites must be offered an appropriate package of financial and nonfinancial benefits.** Since the major impact findings for the entire sample will be available to all programs whether they participate or not, other inducements must be offered. These could include site-specific impact findings, additional program funds, and opportunities for involvement in the national policy debate. Costs such as added administrative effort, the risk of performance standards problems, and operational disruption must also be addressed.

4. **Implementing a complex random assignment research design in an ongoing program inevitably changes its operation somewhat.** Researchers should identify which aspects of the program it is essential to protect as much as possible from changes. They must then develop a research plan that leaves those elements virtually intact. In the JTPA context, prime candidates to retain with as few changes as possible are assessment procedures, services offered, and performance standards. Other situations might require other choices.

5. **Technical assistance and careful training of site staff are important.** A study such as this affects the activities of many staff members of SDAs and service providers; all must receive training on the purposes and procedures of the study. The study's implementation can also be aided by providing technical assistance to sites on key issues such as client recruiting.

These lessons and others are discussed in detail in Chapter 6 of the report.

MDRC staff responsible for launching the National JTPA Study concluded that it is possible to conduct a large-scale, random assignment field study within a system such as JTPA. But they also found that implementing this study's research design in ongoing programs operating under performance standards and facing difficulties recruiting appropriate clients pushed random assignment research to the limits of its feasibility. Future reports on this project will document the nature of JTPA services provided by study sites, analyze their impacts, and explore new methods for conducting this type of research.

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LIST OF ABBREVIATIONS

ABE	Adult Basic Education
Act	Job Training Partnership Act of 1982
AFDC	Aid to Families with Dependent Children
BIF	Background Information Form
CBO	Community-Based Organization
CEO	Chief Elected Official
CEP	Concentrated Employment Program
CETA	Comprehensive Employment and Training Act
CLMS	Continuous Longitudinal Manpower Survey
CPS	Survey of Current Population
CT-OS	Classroom Training-Occupational Skills
Department (DOL)	U.S. Department of Labor
EDP	Employability Development Plan
ETS	Employment and Training Services
GED	General Educational Development
JASR	JTPA Annual Status Report
JOBS	Job Opportunities and Basic Skills Training Program
JTLS	Job Training Longitudinal Survey
JTPA	Job Training Partnership Act
JTQS	Job Training Quarterly Survey
LEO	Local Elected Official
MDRC	Manpower Demonstration Research Corporation
OJT	On-the-Job Training
OMB	Office of Management and Budget
PIC	Private Industry Council
QT	Quick-Turnaround
RDC	Regional Development Center
RFP	Request for Proposals
SDA	Service Delivery Area
SHOW	Survey of History of Work
SIPP	Survey of Income and Program Participation
SJTCC	State Job Training Coordinating Council
WIN	Work Incentive Program

CHAPTER 1

THE PURPOSES OF THE NATIONAL JTPA STUDY

The Job Training Partnership Act of 1982 (JTPA) is the nation's largest employment and training program for disadvantaged adults and youth. It authorizes federal grants to states and, through them, to approximately 600 local agencies (called service delivery areas or SDAs), which provide classroom vocational training, on-the-job training, job search assistance, and other services to more than one million people a year.

JTPA marks an evolutionary step in program design. Its predecessor, the Comprehensive Employment and Training Act (CETA), had drawn criticism for not placing more people in unsubsidized, private sector jobs; high costs; and insufficient accountability. Congress responded by focusing JTPA on private sector employment and by requiring the Department of Labor to monitor how well the new program meets that objective. The Act also requires the department to conduct a study of the program's success in achieving its statutory goals: increasing employment and earnings and reducing welfare dependence.

Over the last decade, methods of evaluating employment and training programs have also evolved. During the CETA years, the Department of Labor funded the Continuous Longitudinal Manpower Survey (CLMS) as well as extensive research that used the survey's data to assess the program. Unfortunately, despite the use of advanced statistical techniques, the CETA research did not identify an appropriate comparison group against which to measure the program's effects on participants. Thus, the findings were inconsistent and confusing on the key question: the program's impact on participants' employment and earnings. For JTPA, the department chose a different approach: a random assignment field study of JTPA in a sample of local programs. Those unfamiliar with this research approach will find many of its key principles discussed in Chapter 4.

This report describes the early implementation of the National JTPA Study, which was undertaken by the Department of Labor to satisfy the Congressional mandate to study JTPA's effectiveness. The report explains how tradeoffs among research objectives were balanced in developing a detailed research design acceptable to sites; describes issues that arose in site selection; compares the sites in the study to the national JTPA system; and presents some lessons for other research. It covers events through the end of random assignment in September 1989 and does not include findings about the impact of the program.

This study, being conducted in 16 sites across the country, with a sample of more than 20,000 persons, represents something new in social policy research. While random assignment has been used to study special demonstrations and smaller employment and training programs, this study is the first time outside the welfare context that it has been used to assess the impacts of an ongoing, large-scale employment and training program.

The National JTPA Study is a timely effort, coming when there is intense interest in employment and training programs in general and JTPA in particular. There is concern in both the public and private sectors that many entry-level workers may lack the skills needed in our increasingly service-oriented economy, a concern heightened by demographic projections that the labor force will grow more slowly from 1985 to 2000 than in any other period since the 1930s.[1] These labor market issues have also thrown a spotlight on those people outside the economic mainstream, with little work experience and low skills, leading to new calls for programs to address their needs and prepare them for employment.

Attention has naturally focused on JTPA, and especially on Title IIA of the Act as the largest source of funds for employment and training programs.[2] Under Title IIA, approximately $1.8 billion of federal aid is distributed annually, a level of funding that permits the programs to serve only 5 to 10 percent of the eligible population.[3] Chapter 2 and Appendix A of this report present more background on JTPA for those not familiar with the program.

This chapter presents the goals of the National JTPA Study. It then reviews why the department decided to use a random assignment field study for assessing JTPA's impacts, underscoring how this project moves beyond previous random assignment research. Finally, the chapter summarizes the research plan and describes the organization of the report.

I. The Research Goals of the National JTPA Study

Section 454 of the Job Training Partnership Act directs the Department of Labor to study the effectiveness of programs authorized under JTPA in achieving three goals: increasing participants' employment and earnings, reducing income support costs, and increasing tax revenues. This statutory language calls for an analysis of program *impacts* not post-program *outcomes*, a crucial distinction for understanding the study's research goals and approach.

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[1] Fullerton, 1987.

[2] Total funding for all parts of JTPA has been approximately $3.7 billion in recent years. The attention directed at JTPA is illustrated by the formation and subsequent reports of the JTPA Advisory Committee to the U.S. Secretary of Labor. See Job Training Partnership Act (JTPA) Advisory Committee, 1989. In addition, Congress is currently considering several bills that would significantly amend JTPA.

[3] Grinker Associates, 1986; Cook et al., 1985; Walker, Feldstein, and Solow, 1985.

Basically, the statute and the National JTPA Study seek to learn what difference JTPA makes in the lives of those who participate in its programs: Do JTPA services result in levels of employment and earnings that are higher than they would have been without the services? To assess this (the program impacts), the department cannot merely observe the post-program employment rates, earnings, and rates of receipt of welfare (the program outcomes) for people who participate in JTPA.[4] Program outcomes are not measures of the difference JTPA makes because some of those served would have found a new job on their own or improved their skills and raised their income through other means *even if they had not participated in the program.*

Thus, crediting all post-program "success stories" to JTPA overestimates the program's impacts. In fact, if a program served only very employable people who could find a job on their own, all the participants might be employed after the program and yet the program itself might have had no *impact* on their employment.

The starting point for assessing the difference a program makes is a measure of what would have happened to people if they had not had access to program services. This provides a baseline against which to compare the program's accomplishments. The measure of a program's impact is the difference between what would have occurred without the program and what actually occurred following participation in the program.[5] As discussed shortly, this calls for creating and studying groups of people who are identical (or nearly so) *except* for access to the program: a control group (with no access to the program) and an experimental or treatment group (with access to the program).

Responding to the statutory directive for an impact study of JTPA, the department issued a Request for Proposals (RFP) in early 1986 to conduct a random assignment field study of Title IIA in up to 20 SDAs. In the RFP, the department identified three major research goals for the study:

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[4] These types of outcome measures are used in the existing performance standards system, which plays a central role in JTPA management. Performance standards are discussed in Chapter 2.

[5] The distinction between outcomes and impacts is not the same as the distinction between short-term and long-term measures. Even long-term measures of program outcomes only measure the post-program status of the group served, not the difference the service made in their lives.

- **Goal #1: Estimate both (a) the overall impact of JTPA Title IIA activities provided in each of a sample of local programs and (b) the specific impact of important categories of activities such as on-the-job training and classroom occupational training.**

An overall impact estimate is important for addressing Congressional interests, as expressed in the statutory requirement to assess the effectiveness of JTPA activities. Activity-specific estimates are important for policymakers seeking to learn what types of employment and training activities to fund and to program planners making decisions at the local level about service contracts.

- **Goal #2: Estimate program impacts for important subgroups such as adult men and women, and minority and white out-of-school youth.**

This approach was adopted for two major reasons. First, previous studies identified subgroups of participants for whom programs appeared to work differently; the JTPA study was designed to determine whether these patterns persisted when JTPA was studied with a more reliable research method than those used in the past. Past research suggested, for example, that training programs tended to have larger impacts on the earnings of women than of men.[6] It also found that youths' experiences in the labor market were quite different from adults' and that minority youth had special problems finding and keeping stable, well-paying jobs.[7] Second, JTPA requires local program operators to "provide employment and training opportunities to those who can benefit from, and who are most in need of, such opportunities . . . ."[8] The study made it possible to learn more about the overlap between groups most in need of assistance and groups that benefit from services.

In-school youth served under Title IIA, who constitute 10 to 15 percent of Title IIA participants, are excluded from the study for two reasons:

a. In-school JTPA programs usually have very different goals in the short term than do programs for out-of-school youth and adults. Generally, the former do not seek placement in a job as an immediate goal, while the latter do. Thus, given the study's desired focus on more immediate impacts on employment and earnings, the in-school group was not as central. Furthermore, its inclusion would have required a separate research design.

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[6] See Barnow, 1987.

[7] See, for example, Osterman, 1980; Freeman and Wise, 1982.

[8] Section 141(a) of the Act.

b. It would have been far more difficult to implement the study procedures in a school setting, as will become apparent when the research approach is outlined later in this report. In a school setting, special problems would have arisen about denying JTPA services to the control group and about monitoring and enforcing the intended differences in services between those randomly assigned to the program and the control group.

- **Goal #3: Use the opportunity of a random assignment field study to seek better ways to identify an appropriate comparison group through means other than random assignment.**

The department recognized that a random assignment field study is a major undertaking that is difficult to conduct on a routine basis. The RFP called for quasi-experimental[9] analysis to seek other ways to measure the average outcomes that JTPA participants would experience without JTPA services.

II. The Use of Random Assignment in the National JTPA Study

The department's choice of random assignment for this study came after an intense examination of two alternative research methods to determine program impacts:

1. **Nonexperimental approaches that identify a matched comparison group similar to program participants.**

Members of the comparison group would be individuals who appear similar to participants on measurable characteristics such as age, education, sex, race, work history, and previous earnings. The comparison group might be chosen from people who applied for the program but were never admitted or who never applied but were eligible for its services. The behavior of participants and the comparison group is compared over time.

2. **Random assignment to a "treatment" group or a "control" group that is not to receive the program's services.**

Random assignment is a lottery-like process in which large numbers of applicants for a program are assigned to a "treatment" group, which is given access to the program, or a "control" group, which is not given access to the program. Because the two groups are created through a random process, there are no systematic differences between the prior experience and characteristics of the two groups. Thus, a comparison of their employment, earnings, and welfare receipt after random assignment yields an unbiased assessment of the impact of the program under study.

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[9] Random assignment impact research is often called "experimental" research because it was originally used in classical, often medical or agricultural, experiments assessing the impact of different "treatments." The method is now also used in the behavioral and social sciences. Non-random assignment impact research, in contrast, is often called nonexperimental or quasi-experimental research (see Achen, 1986).

Both approaches had been used in past studies of employment and training programs. The evaluations of the CETA program using the CLMS had relied on a comparison group methodology to assess program impacts. Random assignment had been used to study several important demonstrations of new program models such as Supported Work and JOBSTART, and a variety of employment programs for dislocated workers under Title III of JTPA and for recipients of Aid to Families with Dependent Children (AFDC), the major federally funded welfare program.[10] Using random assignment to create a control group was widely viewed as providing more accurate and reliable estimates of program impacts than using statistical matching to create a comparison group. In the terminology of the evaluation literature, random assignment research -- properly designed and implemented -- is much more likely to produce "internally valid" estimates of program impacts: that is, accurate or "unbiased" answers to the question of whether the treatments did make a difference in the specific instances studied.

As will become apparent in this report, however, implementing random assignment field studies is a challenge for participating sites. In past random assignment studies, a considerable proportion of local programs contacted about participating have been unwilling or unable to do so. In contrast, nonexperimental research, such as the work done using the CLMS and comparison groups, requires very little daily cooperation from programs in the study and can be conducted in large numbers of randomly selected sites. Thus, it is usually more difficult to recruit a representative sample of sites in random assignment studies than in research such as that done on CETA. As a result, the "external validity" or generalizability of the findings in random assignment studies is more often an issue.[11] However, as the discussion below will indicate, there was a growing consensus that random assignment is necessary for internally valid estimates of the impacts of employment and training programs.

In developing a plan for studying JTPA, the department was well aware of this tradeoff.

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[10] As discussed later in this chapter, the JTPA study differs in examining an entire, ongoing program.

[11] To the extent that the results of a study can be generalized to different subjects and settings, the study possesses external validity. See Bracht and Glass, 1968; Campbell and Stanley, 1966.

It carefully reviewed previous efforts to evaluate employment and training programs to draw lessons for the upcoming study. A brief historical account illustrates the issues the department faced.

A. Past Research on Employment and Training Programs

During the 1960s and 1970s, the Department of Labor invested billions of dollars in programs for adults and youth and funded many evaluations of their effects.[12] The evaluation of the CETA program was among the largest undertaken during the late 1970s and early 1980s. The department funded the CLMS, which collected data on the socioeconomic characteristics, program participation, and work histories of a national sample of individuals served by CETA in 147 local programs. These data were available for samples of participants for fiscal years 1975 through 1981. In addition, the CLMS contained data from the March Survey of Current Population (CPS) to allow identification of individuals who could make up a comparison group for the analysis of program impacts. (March is the month in which annual demographic and labor market information is collected.)

The department funded an initial analysis of program impacts[13] and then supported reanalyses of these data by other researchers (using slightly different techniques to identify an appropriate comparison group and analyze impacts). Unfortunately, this series of studies, using state-of-the-art nonexperimental research techniques, did not produce a consensus on CETA's impacts.

Table 1.1 illustrates the wide range of estimates of CETA's impact on adults' annual earnings; the calculations were made over the course of a decade.[14] The initial research using the CLMS is labeled Westat (1981). The other studies represented in the table are reanalyses of the CLMS data, using slightly different techniques. The most extreme examples of inconsistent results concerned adult men: Estimates of the overall CETA program's impacts on annual earnings ranged from $200 to minus $700, and estimates of the impact of CETA's on-the-job training for white men ranged from a high of $1,000 to $1,200 to a low of minus $200. Estimates

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[12] For a review of early research on employment and training programs, see Perry et al., 1975. For a review of research on youth programs, see Betsey et al., 1985. For a review of the research on the CETA program, see Barnow, 1987.

[13] Westat, 1981.

[14] The estimates in Table 1.1 are from a group of studies that cover slightly different periods of program operations. See Barnow, 1987, for a review of these studies and a discussion of the differences in methodology and coverage.

TABLE 1.1

ESTIMATES OF THE IMPACT OF CETA SERVICES ON ADULT PARTICIPANTS' ANNUAL EARNINGS

	Westat (1981)	Westat (1984)	Westat (1984)	Bassi (1983)	Bassi et al.(1984) Nonwelfare Disadvantaged Adults	Bassi et al. (1984) Welfare	Bloom & McLaughlin (1982)	Dickinson et al. (1984) Adults	Geraci (1984)
Year of Program Participation	1975-76	1975-76	1976-77	1975-76	1976-77	1976-77	1975-76	1976	1975-76
Overall	$300*	$129*	$596*	--	--	--	--	--	--
White Women	500*	408*	534*	$740 to 778*	705* to 762*	$840* to 949*	--	--	--
White Men	200	(4)	500*	--	17 to 136	578 to 691*	--	--	--
Minority Women	600*	336*	762*	426 to 671*	779* to 810*	659* to 703*	--	--	--
Minority Men	200	(104)	658*	117 to 211	116 to 369	(273) to 69	--	--	--
Women	--	--	--	--	--	--	800* to 1,300*	13	--
Men	--	--	--	--	--	--	200	(690)*	--
Classroom Training	350*	267*	740*	--	--	--	--	--	--
White Women	550*	--	--	63 to 205	295 to 354*	315 to 451*	1,300*	--	--
White Men	400	--	--	--	(543)*to (457)	(440) to (120)	300	--	--
Minority Women	500*	--	--	426 to 633*	245 to 301	206 to 369*	1,000*	--	--
Minority Men	200	--	--	582 to 773	102 to 185	(571) to (99)	300	--	--
Women	--	--	--	--	--	--	800* to 1,400*	0	1,201*
Men	--	--	--	--	--	--	300	(343)	372
On-the-Job Training	850*	531*	1,091*	--	--	--	--	--	--
White Women	550*	--	--	80 to 382	701* to 724*	190 to 318	1,200*	--	--
White Men	750*	--	--	--	616* to 756*	995 to 1,231*	(200)	--	--
Minority Women	1,200*	--	--	1,368* to 1,549*	223 to 244	564 to 587	800*	--	--
Minority Men	1,150*	--	--	2,053* to 2,057*	722 to 812*	454 to 750	1,500*	--	--
Women	--	--	--	--	--	--	700* to 1,100*	35	882*
Men	--	--	--	--	--	--	300	(363)	612*

SOURCE: Barnow, 1987. Sources for estimates are listed in the references at the end of this report.

NOTES: Estimates are for all adult participants except as otherwise indicated.
All estimates are in post-program year dollars except for Bloom & McLaughlin estimates, which are in 1980 dollars.
Missing entries indicate that impact estimates were not calculated.
Numbers in parentheses are negative impact estimates.
*Denotes statistical significance at the 5 percent level.
Estimates are for all adult participants except as otherwise indicated.

for other activities and subgroups had narrower ranges but still showed so much uncertainty that they would have been difficult to use for policy planning. Therefore, policymakers did not know if CETA actually increased participants' employment and earnings.

B. Planning the Research on JTPA

The department originally planned to study JTPA using a comparison group approach similar to that used for CETA. With the start of JTPA, the department established the Job Training Longitudinal Survey (JTLS) to collect data on the socioeconomic characteristics, program participation, and work histories of a national sample of adults and youth served by JTPA. Moving beyond the CLMS, the department planned to supplement the CPS data with the Survey of History of Work (SHOW), a specially conducted national survey designed solely to be used in constructing a comparison group for studies of JTPA impacts.[15]

As the department was doing the final planning for this research, the series of inconsistent nonexperimental findings on CETA began to emerge. Seeking a consensus in the research community on the best way to conduct nonexperimental research on employment and training programs, in late 1984 the department appointed a panel of evaluation experts to review its plans for studying JTPA and to recommend ways in which to deal with the unresolved methodological problems. The panel devoted most of its attention to the central methodological problem of "selection bias."

Possible selection bias has continually been an issue in nonexperimental research like that done on CETA because of the difficulty of choosing the proper comparison group. Researchers can only match members of the participant group with other people on observed or measured characteristics such as income, education, sex, and ethnicity. If the probability of applying for and being accepted into a program were affected only by observed characteristics, then selection into programs could be modeled statistically and could be taken into account in choosing a comparison group. But the probability of applying to and being selected for a program is also likely to be influenced by characteristics such as personal appearance and demeanor, motivation, or work attitudes which are very difficult to measure reliably and are not included in most large data sources.

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[15] For a detailed discussion of the JTLS and SHOW and a comparison with the CLMS, see Westat, September 1984. As part of the JTLS, the department also began the Quick-Turnaround (QT) data collection, in which JTPA enrollment, participation, and termination information is collected quarterly from administrative records for a sample of JTPA enrollees and terminees.

In estimating program impacts, selection bias occurs if unobserved characteristics affect the likelihood of participation in a program *and* also affect later experiences. In a simple and potentially important case, individuals who are highly motivated to succeed could be more likely to participate in a program *and* to have high earnings in the future *whether or not they participated in a program.* In this case, participant and comparison groups matched on observed characteristics are different in two ways rather than one: The participant group has access to the program *and* it includes more motivated individuals. If the participant group is later observed to have higher earnings, that difference could have arisen because of its greater motivation as well as or instead of its participation in the program. Therefore, a comparison of the earnings of the two groups could overestimate the impact of the program.[16]

After reviewing the CETA research record and the statistical and econometric techniques available to address the selection bias problem, the panel concluded:

> that the estimates of the net impact of CETA are not reliable and that the true impacts of CETA are still open to question. Since the methods intended to be used to evaluate the Job Training Partnership Act are broadly the same as those used to evaluate CETA, there is considerable likelihood that the validity of the net impact evaluation of JTPA will also be subject to unresolvable doubt if the existing analysis design remains unchanged.[17]

The panel found it very unlikely that any method of addressing the problem of selection bias would be found in time to conduct a valid impact study of JTPA:

> The recommendations of the panel are strongly conditioned by the judgement that it will not be possible to solve the problem of selection bias within the context of a quasi-experimental design such as the JTLS/SHOW; at least, not in a short enough time frame to meet Congress' needs for valid information to guide policy. . . . Even though many authors studying employment and training programs have recognized the selection problem, *no* such study using a quasi-experimental design can be said to have controlled adequately for selection bias. The panel does not intend to set forth a counsel of despair. Rather, it is concerned that the past evaluations of CETA have consumed, and the contemplated evaluations of JTPA will consume, millions of dollars and much valuable time. It would be extremely unfortunate if the analysis of JTLS/SHOW design would yield the same ambiguous conclusions as has the analysis of the CLMS/CPS data base for CETA.[18]

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[16] Theoretical approaches exist for statistically correcting these differences, but they often fail to provide reliable and consistent estimates because of their sensitivities to statistical assumptions. See Heckman and Robb, 1985, for a review of these approaches.

[17] Job Training Longitudinal Survey Research Advisory Panel, 1985, p. 2.

[18] Job Training Longitudinal Survey Research Advisory Panel, 1985, p. 21.

In considering the alternative of random assignment, the panel recognized a tradeoff. Random assignment research, properly conducted, provides the best opportunity to obtain accurate impact estimates for the local programs included in the study (i.e., it maximizes the "internal validity" of the estimates). But the challenge of implementing random assignment in an ongoing program such as JTPA means that some sites that have been selected for the study will not want or be able to participate. Thus, it would be difficult to include a representative group of programs to allow generalization to the entire JTPA program (i.e., to establish the "external validity" of the estimates).

Balancing these factors, the panel felt that without internal validity nothing could be learned about program impacts. It therefore recommended that the department abandon the planned comparison based on the JTLS and SHOW and instead conduct a series of classical experimental studies of the impacts of JTPA for selected target groups and activities in a limited number of SDAs.[19]

The National Academy of Sciences, in a separate review of research on employment and training programs for youth, reached a similar conclusion in 1985.[20] Finding that comparison groups in past research often differed markedly from participant groups, the academy's Committee on Youth Employment Programs concluded that:

> control groups created by random assignment yield research findings about employment and training programs that are far less biased than results based on any other method. . . . Future advances in field research on the efficacy of employment and training programs will require a more conscious commitment to research strategies using random assignment.[21]

After reviewing these recommendations, the department decided to suspend the JTLS/SHOW comparison group research and proceed with a set of classical field experiments. The SHOW was not implemented, and the longitudinal data collection planned as part of the JTLS was not done. However, the JTLS continues to collect quarterly reports from a sample of SDAs on the characteristics of clients and the services they receive.

In mid-1986, the department announced that it would conduct a random assignment field study of JTPA to include up to 20 local service delivery areas. It also announced a parallel effort to improve nonexperimental techniques. A special survey would be conducted of individuals who were eligible for but did not apply to JTPA in those SDAs participating in the National JTPA Study. Data from this survey and other existing data such as the CPS and Survey of Income and Program Participation (SIPP) would be used in new efforts to develop a method to construct a comparison group similar to the control group created through random assignment. Supporting this effort would be an analysis of the process by which individuals are recruited and selected for JTPA participation in SDAs in the study.

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[19] Job Training Longitudinal Survey Research Advisory Panel, 1985, pp. 21-26.
[20] Betsey et al., 1985.
[21] Betsey et al., 1985, pp. 18, 30.

The department utilized an unusual contractual and management structure for the project:

- **Part A of the Project:** After a competitive bid, the department selected the Manpower Demonstration Research Corporation (MDRC) -- with Abt Associates as a subcontractor -- as the Part A contractor to recruit sites, implement the study in the field, and document the nature and cost of the services offered by participating SDAs.

- **Part B of the Project:** After a separate competitive bid, the department selected Abt Associates -- with MDRC, ICF, and NORC as subcontractors -- as the Part B contractor responsible for developing the research design, collecting baseline and follow-up data on the members of the research sample, and conducting experimental and nonexperimental analyses of program impacts.

III. The Unusual Challenges Posed by This Project

The National JTPA Study, of course, is not the first time random assignment has been used to assess the impact of federally funded employment and training programs. In fact, its successful use in other projects was one of the reasons the department adopted this approach for the National JTPA Study. However, the goals, setting, and basic structure of the JTPA study meant that implementation of its experimental research design was more complicated and difficult than in past projects. As discussed below, the crucial distinction is that this study, for the first time, examines the entire, ongoing, voluntary employment and training system in participating sites.

The characteristics of several past multi-site random assignment studies of employment and training programs are listed in Table 1.2. As shown in the top two rows of the table, most of the studies covered distinct program models or types of services that were offered to a narrowly defined target group, rather than multiple services offered to a diverse group. In most cases, the studies involved fewer sites and individuals than were included in the National JTPA Study. Supported Work, the first project to use random assignment in a national, multi-site test of an

TABLE 1.2

OVERVIEW OF SELECTED MAJOR RANDOM ASSIGNMENT STUDIES OF EMPLOYMENT AND TRAINING PROGRAMS

Characteristic	National Supported Work Demonstration	WIN Laboratories	AFDC Homemaker-Home Health Aide Demonstrations	JOBSTART	Texas Workers Adjustment Demonstration	Demonstration of State Work/Welfare Initiatives	National JTPA Study
Period of Project	1974-80	1978-82	1983-86	1984-ongoing	1984-86	1982-88	1986-ongoing
Program Intervention Studied	Transitional work experience	Job search, on-the-job training, and support services	Training and subsidized employment as a home health aide	Basic education, occupational training, job search, and support services	Job search and occupational training	Primarily job search and work experience, but also on-the-job training	Varies by local program and needs of clients; studying all services provided
Target Group	Long-term AFDC recipients, ex-addicts, ex-offenders, young school dropouts	AFDC applicants and recipients	AFDC recipients	Young, economically disadvantaged school dropouts with poor reading skills	Dislocated workers	AFDC and AFDC-UP applicants and recipients	Economically disadvantaged adults and youth
Sites	10 local programs	3 WIN offices	7 states	13 local programs	3 local programs	8 states	Up to 20 local programs
Experimental Sample	6,616	7,626	9,500	2,212	2,300	38,129	Up to 30,000
Voluntary or Mandatory	Voluntary	Voluntary	Voluntary	Voluntary	Voluntary	Primarily mandatory	Voluntary
Run Inside or Outside Basic Service Delivery System	Primarily outside	Inside	Inside	Inside	Inside	Inside	Inside
Small-Scale Program or Large-Scale System	Small-scale	Varying sizes	Moderate-scale	Small-scale	Moderate-scale	Major part of WIN system	Entire local JTPA system

(continued)

TABLE 1.2 (continued)

Characteristic	National Supported Work Demonstration	WIN Laboratories	AFDC Homemaker-Home Health Aide Demonstrations	JOBSTART	Texas Workers Adjustment Demonstration	Demonstration of State Work/Welfare Initiatives	National JTPA Study
Studying Innovation or Existing Program	Innovation	Innovation	Innovation	Generally innovation or enriched services	Existing program	Innovation	Existing program
Special Program Funding for Sites	Yes	Yes	Yes	Modest special funding	No	Generally no	No

SOURCES: Manpower Demonstration Research Corporation, Board of Directors, 1980; Leiman, 1982; Bell et al., 1986; Auspos et al., 1989; Bloom and Kulik, 1986; Gueron, 1987.

employment and training program, was operated outside the usual "mainstream" service delivery system by specially created or designated agencies; the other studies involved programs operated within the mainstream system. In most past studies, the activities were small-scale, new, and innovative. Some were begun as part of a demonstration effort and would not have existed except for the research. In most cases, special program funding was available for participating sites, which were chosen primarily for their ability to implement the program and comply with study procedures.

One way to summarize the challenges presented by the JTPA study is to consider the continuum of these studies as they are ordered in Table 1.2. At one end is a pure demonstration, Supported Work. While it was a major undertaking and its success a breakthrough in research, the structure of the demonstration did offer advantages to the researchers. It tested the impacts of a carefully defined program model developed and funded as part of the research project and serving a particular group of participants. Further, it was operated by organizations whose mission was to operate the program as part of the demonstration. Control group members were excluded only from these special Supported Work programs.

MDRC's studies of State Work/Welfare Initiatives were the closest to the National JTPA Study on this continuum. The Work/Welfare studies evaluated large-scale programs operated by the mainstream AFDC and WIN (Work Incentive) programs in many sites using a large research sample. In general, the sites received no special program support and often had to assume some of the costs of conducting the study. Prior to implementation of the JTPA study, the Work/Welfare project represented the most ambitious use of random assignment field research to study the impacts of ongoing employment programs. However, these programs differed from JTPA because participation of eligible individuals was generally mandatory. The later discussion in this report will describe the importance of this difference.

The National JTPA Study is at the opposite end of the continuum from Supported Work: It is an assessment of an already operating system offering a mix of services to a wide variety of participants with a research goal of changing existing program operations as little as possible and with no financial incentives for sites to participate. Members of the control group have to be excluded from all JTPA-funded programs in the SDAs in the study, rather than from a single service provider in the community, which was the exclusion in many past studies.

The JTPA study's unique characteristics complicated the design and implementation of a random assignment field study. The great variety of local JTPA programs made developing a single research design a challenge. Study procedures had to be superimposed on SDA and service provider administrative practices and performance assessment systems with as little disruption as possible. The extent of the exclusion of members of the control group, from every JTPA-funded service provider in an SDA, heightened ethical concerns about the study and contributed to making site recruitment a challenge. Site selection was made even more difficult by the absence of special program resources for participating sites.

IV. An Overview of the JTPA Random Assignment Field Study Design

The RFP issued for the National JTPA Study outlined an ambitious study, more complex than those previously undertaken. The study called for by the RFP moved random assignment research in many new directions; while no single advance was dramatic, together the departures added up to a project that went well past previous work.

The department made a decision, in effect, to see how far random assignment field studies of employment and training programs could be advanced over past work. In some areas, this attempt was successful; for example, the study will yield internally valid estimates of both the overall program and categories of activities in the sample sites. However, in other areas – for example, the effort to recruit a statistically representative sample of local programs – the research team did not succeed and the effort delayed the project and diverted resources from other tasks.

As a result of the conscious choice by the department to seek very ambitious – and sometimes conflicting – objectives, the original RFP included features that were not part of the final research design implemented in participating sites. Table 1.3 summarizes key aspects of the original and final random assignment field study research design. As the table illustrates, the research plan put in place can accomplish most of the goals of the project: The final research design includes a large sample of adults and youth, studies JTPA in participating sites with few major changes, provides impact estimates for the entire JTPA program in these sites, and estimates impacts for several types of JTPA activities. The major change from the original design is the shift from sites in the study that are strictly representative of the JTPA system to sites that illustrate the diversity of the JTPA system but are not randomly selected. Table 1.4 lists the sites in the study.

The random assignment model developed for the study is shown in Figure 1.1 and is discussed in detail in Chapter 4. SDA and/or service provider staff recruit applicants for the

TABLE 1.3

SUMMARY OF RFP AND FINAL RESEARCH DESIGNS

Feature	RFP Plan	Final Research Design
Sites	Up to 20, chosen to statistically represent the JTPA system	16, chosen to illustrate the diversity of the JTPA system
Sample	Up to 30,000 adults and youth eligible for Title IIA	20,606 adults and out-of-school youth eligible for Title IIA
Evaluation of JTPA "As Is" with Little Change in the Program	Yes	Yes
Evaluation of JTPA as a Whole	Yes	Yes
Evaluation of Specific Treatments	Focus was on specific activities, such as OJT, classroom occupational training, and job search assistance	Focus on the types of combinations and sequences actually provided in JTPA, including categories of activities anchored on OJT and classroom occupational training
Services for Which the Control Group Is Eligible	Services in the community not funded by JTPA	Services in the community not funded by JTPA

TABLE 1.4

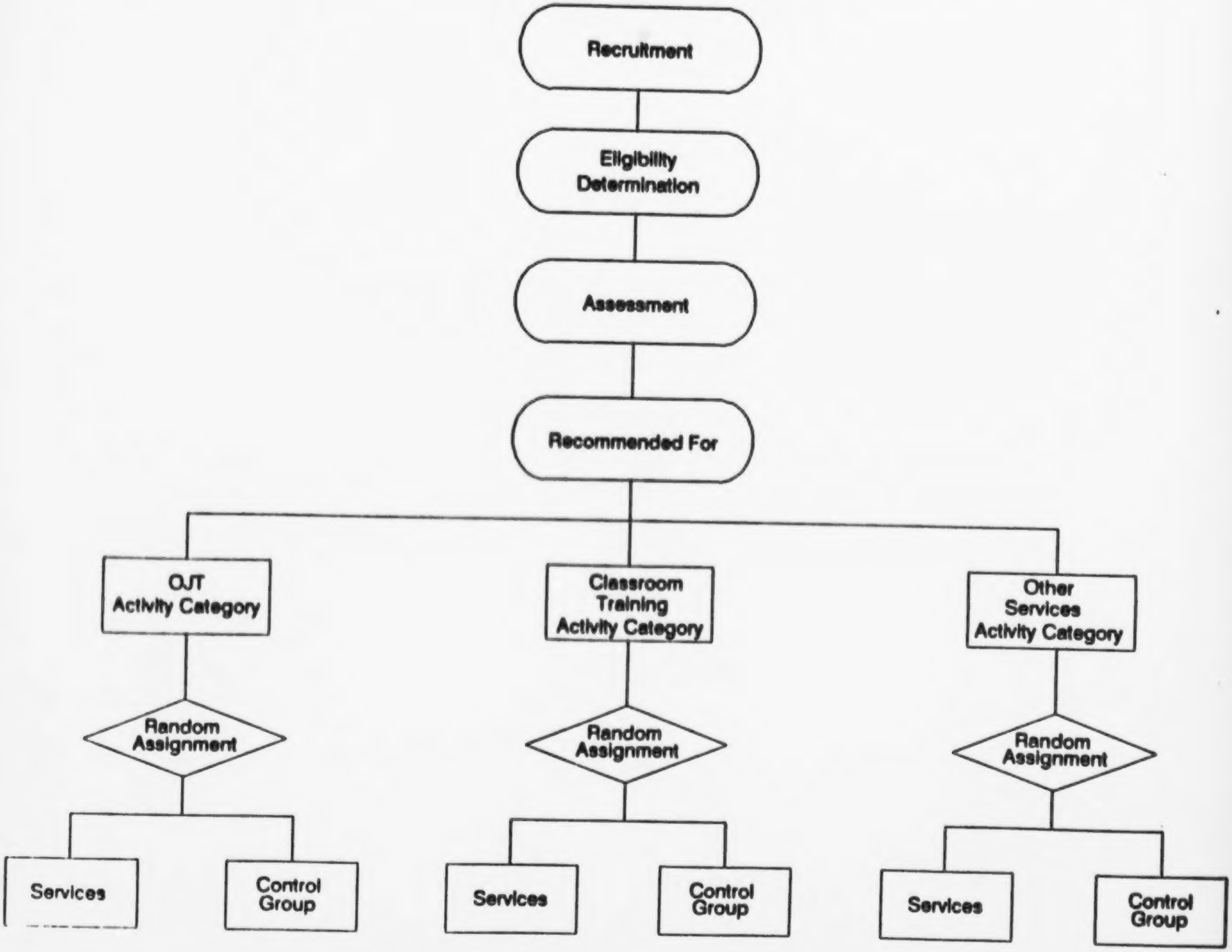
SELECTED CHARACTERISTICS OF SDAs PARTICIPATING IN THE NATIONAL JTPA STUDY

SDA	Region	Program Size[a]	Largest City	Final Sample
Capital Area, MS (Jackson)	South	Small	Jackson	1,478
Concentrated Employment Program, MT (Butte)	West	Medium	Butte	683
Coosa Valley, GA (Rome)	South	Medium	Rome	1,840
Corpus Christi/ Nueces County, TX	South	Medium	Corpus Christi	1,609
Crawford/Hancock/Marion/ Wyandot Counties, OH	Midwest	Medium	Marion	1,154
East Central Iowa (Cedar Rapids)	Midwest	Small	Cedar Rapids	498
Greater Omaha, NE	Midwest	Medium	Omaha	1,362
Heartland, FL (Lakeland)	South	Large	Lakeland	597
Jersey City, NJ	Northeast	Medium	Jersey City	1,686
Larimer County, CO (Fort Collins)	West	Small	Fort Collins	1,027
Macon/De Witt Counties, IL (Decatur)	Midwest	Small	Decatur	471
Northeast, IN (Fort Wayne)	Midwest	Large	Fort Wayne	3,608
Northwest, MN (Crookston and Thief River Falls)	Midwest	Small	Thief River Falls	560
Oakland, CA	West	Medium	Oakland	1,072
Providence/Cranston, RI	Northeast	Medium	Providence	1,759
Springfield, MO	Midwest	Medium	Springfield	1,202

NOTE: [a] SDAs were categorized within a region based on the number of Title IIA program terminees in program year 1984, the last year for which data were available when site selection began.

FIGURE 1.1

RANDOM ASSIGNMENT MODEL FOR THE NATIONAL JTPA STUDY


Recruitment
Eligibility Determination
Assessment
Recommended For
OJT Activity Category
Classroom Training Activity Category
Other Services Activity Category
Random Assignment
Random Assignment
Random Assignment
Services
Control Group
Services
Control Group
Services
Control Group

program, determine who among them are eligible for JTPA services, and conduct their usual assessment of applicants' skills, needs, and interests.[22] Following this assessment, staff decide which activities would be appropriate for the applicant and designate a treatment category based on this choice of activities. They then call MDRC for random assignment. Approximately two-thirds of all persons are randomly assigned to the experimental or treatment group, which is given access to the services designated by staff. The remaining one-third are members of the control group, who are not to be served within JTPA for 18 months.

V. The Outline of This Report

Chapter 2 summarizes key features of the JTPA program that affected the implementation of the study and presents the key concerns of SDAs about the project. Chapters 3 and 4 discuss how the department and research team attempted to address these concerns. Specifically, Chapter 3 discusses the response to the basic concerns of SDAs about the ethics, legality, public relations, and costs and benefits of participating in the study. Addressing these was necessary but not sufficient for a site to participate. Thus, Chapter 4 discusses the sites' other major operational concerns. It presents research questions and associated tradeoffs faced in dealing with these concerns so that a plan for the National JTPA Study could be developed and implemented. Chapter 5 outlines the site selection process and compares the characteristics of participating SDAs with sites that chose not to participate and with the JTPA system as a whole. It also briefly describes the study sample and discusses how the results from the SDAs in this study can contribute to an understanding of the JTPA system as a whole. Chapter 6 summarizes the lessons for future research coming out of the early implementation of the National JTPA Study. Appendix A provides further background on JTPA for readers unfamiliar with the program, while Appendix B contains brief profiles of the SDAs participating in the study. Appendix C presents comparisons of participating SDAs with SDAs that decided not to participate in the study and with the national pool of SDAs from which study sites were recruited.

This report covers the implementation of the random assignment field study through September 1989, the end of random assignment in all sites. Later reports, listed in Table 1.5,

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[22] This is done by SDA staff in most SDAs. However, in some, the recruiting and intake process is subcontracted to the service providers who conduct the training or operate the education or job search assistance programs funded by the SDA.

TABLE 1.5

FORTHCOMING REPORTS ON THE NATIONAL JTPA STUDY

Date	Topic
	Experimental Studies
February 1991	Baseline report on characteristics of the sample at random assignment
December 1991	Final implementation report on characteristics of participating SDAs and their programs
December 1991	Preliminary impact report based on approximately 18 months of post-random assignment follow-up
December 1992	Final impact report based on approximately 30 months of post-random assignment follow-up
	Nonexperimental Studies
February 1991	Preliminary reports on selection and participation and on nonexperimental methods
February 1992	Final reports on selection and participation and on nonexperimental methods

will present the baseline characteristics of the members of the research sample, a description of the programs under study in the participating SDAs, the early impact findings based on approximately 18 months of follow-up after random assignment, and the final impact analysis based on approximately 30 months of follow-up. In addition, separate reports will be issued analyzing the participant selection process in four of the SDAs in the study and newly developed nonexperimental methods intended to measure the average outcomes JTPA participants would experience without JTPA services.

CHAPTER 2

THE JTPA CONTEXT AND SDAs' CONCERNS

The National JTPA Study was difficult to implement at the local level. This chapter highlights particular features of the JTPA system, such as the decentralized operations, multiple decision-makers, performance standards, and variations in the programs, and explains why they created challenges to conducting the study. The remainder of the chapter reviews SDAs' and states' perceptions about the study and the issues raised about the interaction between local programs and the random assignment methodology. The information presented in this chapter is based on the researchers' exchanges with SDAs and states during the site selection and recruitment process. It draws on telephone contacts with more than 200 SDAs and on site visits with approximately half of these. The purpose was to assess their viability as study sites and to determine their interest in and ability to participate. Actions taken to accommodate their concerns are described in Chapters 3 and 4.

I. Key Features of the JTPA System

Both the overall structure of the JTPA system and the specific requirements in Title IIA influenced local and state officials' reactions to the study. Although JTPA is almost entirely federally funded, it provides states and local areas with the flexibility to select, within legislated parameters, the administrative and oversight structure of the program, the population to be served, and the types of services to be offered. A federally mandated – but state-administered – system of performance standards holds SDAs accountable for program outcomes (see Appendix A).

The following features of the JTPA system for Title IIA were especially important in shaping state and local reactions to the study. Appendix A provides additional detail on JTPA's funding structure, titles, expenditure requirements and limitations, targeted populations, administrative and oversight structure, and performance standard system.

- **JTPA is decentralized, fostering a local orientation in SDAs.**

The Job Training Partnership Act, Public Law 97-300, was passed in October 1982, at a time when the federal government was attempting to lessen its involvement in social programs and provide additional authority to the states and localities. As a result, the Act establishes a decentralized decision-making and funding structure. States and SDAs make major decisions about program design and operations within the parameters established by the statute.

Federal funds for programs operated under Title IIA of the Act are allotted as grants to the states, and states are required to allocate 78 percent of their IIA allotment to the local SDAs. The governor of each state is required to establish a State Job Training Coordinating Council, submit plans to the U.S. Secretary of Labor for the use of funds within the state, and carry out other oversight functions. In addition to approving SDAs' plans for the 78 percent funds, the governor also plans and provides for the use of other Title IIA funds, including those targeted to train older individuals (3 percent of the Title IIA allotment to the state), cooperative agreements and coordination activities with state education agencies (8 percent of the IIA allotment), incentive grants to SDAs (6 percent of the IIA allotment), and state administrative and auditing activities (5 percent of the IIA allotment). The governor is also responsible for designating SDAs, which are geographically defined areas responsible for administering JTPA at the local level. However, if requested, SDA status must be conferred on units of local government or, generally, consortiums with populations of 200,000 or more. The decentralized funding, oversight, and service delivery structure have enabled the system to focus on meeting local needs. It has also created variety in the subgroups targeted for services, the types of program components provided, the duration and sequence of activities, and the organizations that deliver them. At the same time, because JTPA is almost entirely federally funded,[1] local areas do not have a direct financial stake in ensuring the cost-effectiveness of the program.

The decentralization of JTPA "distances" the local programs from the federal level. Many SDAs viewed the policy questions to be addressed by the study as relevant at the federal level but not particularly beneficial to them individually.

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[1] There are two exceptions. (1) Sections 202 (b)(1) and 123 stipulate that 80 percent of the 8 percent education set-aside must be matched by the states and localities, but they may include the direct cost of employment and training services they provide to JTPA. (2) Under Section 304 (a)(1), to qualify for Title III funds, states must match their federal allocation from public or private non-federal sources.

- **JTPA is structured to involve multiple decision-makers at the local level.**

The Act requires the establishment of a Private Industry Council (PIC) for each SDA and directs the PIC and the chief elected official(s) to share responsibility for decisions on the best use of funds within the local SDA. The Act also mandates that the PIC include representatives of economic development agencies, the public employment service, individuals with handicaps, labor, education, community-based organizations, and businesses – with representatives of the private sector in the majority. The official decision structure is often augmented at the local level by the involvement of service providers, SDA staff, and social service agencies.

Each of these groups, regardless of whether it had an actual vote, could influence local decisions such as whether to participate in the National JTPA Study. Each group weighed the implementation process for the study and the long-term benefits against its own and its constituents' interests.

In discussions with local groups, some differences in orientation became clear:[2]

- **PICs**, with the majority of their members representing the private sector, were generally interested in the bottom-line assessment of performance that the study would provide. But they were also worried about the possibility of negative publicity from establishing a control group. They feared that their public image could be jeopardized if there were negative reactions from individuals and organizations in the community. Some were concerned about adverse reactions from employers who use JTPA as a referral source for trained or trainable applicants. PICs were also concerned about the study's potential effect on performance standards and costs for services.

- **Local elected officials (LEOs)**, as representatives of a large and diverse constituency, questioned the legality of random assignment. They too were especially interested in the potential effects of the control group on the program's image, the potential for negative publicity, and the political consequences of turning individuals away from services. However, they were also aware of the importance of having reliable information about program effectiveness for budgeting and other purposes.

- **Program administrators**, while recognizing the need for the study, were concerned about how it would influence their staff's workload and the nature of their interactions with applicants. Program administrators also felt responsible for ensuring the success and effectiveness of the program and, as the key staff charged with making recommendations and carrying out policy decisions, helped present the potential risks and benefits of the study to the PIC and LEOs. The key role of staff is evidenced by the fact that a decision to participate in the study was never made without SDA managers' support. In some cases, initially supportive PICs and local elected officials were convinced not to participate by SDA staff.

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[2] This is a summary based on field contacts during the site recruiting phase of the study.

- **Service providers** under contract to the SDA were concerned that assigning individuals to a control group would change their role and image as advocacy organizations. Many were operating under performance-based contracts, which make payments conditional on reaching specific goals. The control group alarmed them because if it negatively impacted on their ability to meet enrollment and performance goals, they could suffer financial penalties. As the group farthest removed from the federal level of JTPA in its daily program operations, and at the same time the one most financially pressured to perform, in many cases this group was also the hardest to convince of the benefits of the study. Service providers often viewed the study as a potential cost without a sufficient offsetting benefit to themselves and their clientele. Consequently, they often sought to discourage participation in the study through direct or indirect representation on the PIC, or through their political influence in the community.

- **State officials** had misgivings about providing special consideration to SDAs serving as study sites in the event the control group resulted in lower performance or expenditures. The Act requires governors to allocate incentive funds (6 percent funds) among SDAs in equitable proportions based on the degree to which performance standards have been exceeded, but governors also have the flexibility to make special adjustments to performance standards. The need for "governors' adjustments" was viewed as unlikely to arise. However, because a random assignment field experiment of this magnitude had never been done in an SDA, some SDAs were reluctant to participate without assurance that their participation would not negatively effect their ability to qualify for incentive funds. The amount and nature of the adjustments that might be needed was unknown. States, in turn, were reluctant to make undefined commitments. They anticipated difficulty in establishing direct ties between changes in performance and participation in the study. Yet without such evidence, it would be hard to get the other SDAs in the state to view any adjustments as equitable. At the same time, since state assurances were important to SDAs, who placed a premium on incentive funds, state neutrality or inaction could also discourage participation.

- **Community representatives** were concerned about the needs of people turned away and the potential strain on other service agencies to which controls might turn. Advocacy groups for specific subgroups of the population were also concerned about the study's possible effect on achieving targeted enrollment levels for their constituencies.

The decision to participate in this study required that each of these groups consent or, at a minimum, be willing to cooperate. The need for and benefits of the study had to be reviewed not just once, but many times. Typically, these groups would not all be part of the formal approval process. However, because of the sensitive nature of this study, some SDA staff sought to involve groups that had not previously been involved in substantive policy decisions. In the participating sites, the upfront review and buy-in of the multiple groups, while time-consuming, has been beneficial during the implementation phase. Potential issues were discussed and solutions were developed in advance. Coupled with the sites' understanding of the purpose and procedures for the study, this enabled the study to proceed with a minimum of disruption.

- **Many SDAs had to exert considerable effort to meet enrollment and expenditure targets, particularly for some targeted groups. This raised serious concerns about establishing a control group.**

SDAs and states need to meet overall enrollment goals, goals for the enrollment of specific target groups, and expenditure plans. This section discusses why these three goals presented issues for the study. Section 141 of the Act specifies that the service delivery system is to provide employment and training opportunities to those who can benefit from, and who are most in need of, such opportunities. The system is also expected to make efforts to provide "equitable services" among "substantial segments" of the eligible population. Except for explicit requirements to serve dropouts and recipients of Aid to Families with Dependent Children (AFDC), these two terms are not defined in the Act or regulations. JTPA also requires that not less than 40 percent of the Title IIA 78 percent funds is to be spent on eligible youth.

In the early years of JTPA, this was often a problem for SDAs. To achieve the 40 percent level of spending, they had to recruit and enroll youths in greater numbers than they represented in the eligible population.[3] Although the problem has diminished in recent years

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[3] SDAs may include services for in-school youth as part of their plan.

(only 10 percent of SDAs contacted cited it as a concern), SDAs had to be sure that participating in the study would not jeopardize their meeting the requirement.[4]

Many SDAs worried that diverting one-third of their eligible and appropriate applicants to the control group would either compound current problems with low enrollments and expenditures or create them. In recent years, especially with the decrease in the unemployment rate, many SDAs and their service providers have faced recruitment problems. The improvement in the labor market has meant that the more job-ready could obtain employment. Thus, in most local areas, JTPA has reportedly had to seek out other individuals who have fewer skills and weaker connections to the labor market and who are typically viewed as harder to serve.

However, since JTPA funds are, on average, sufficient to provide services to only 5 to 10 percent of the eligible population, the department and the researchers expected that an increase in the level and quality of recruitment activities would produce the additional numbers needed to maintain enrollment levels, despite assignment of a portion of the applicants to the control group.

Lower-than-planned enrollment levels and difficulty retaining those who did enroll sometimes led to underexpenditure of the funds allocated to the local level.[5] Consequently, SDAs were also concerned about how establishment of the control group would influence their expenditures.

In addition, some states have rules to recapture funds if expenditures fall below a predetermined level, and others tie the allocation of incentive funds to expenditure levels. Both factors increase the importance of SDAs' meeting planned enrollment and expenditure levels.

SDAs frequently reported that they needed to recruit up to four times more people than they had funds available to serve because of a large drop-off rate between the point of initial inquiry about JTPA and actual enrollment in the program. The enrollment and selection process often further reduced the pool of eligible applicants in many SDAs.

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[4] Today, the national average is about 43 percent. However, some states and SDAs still fall short of the required 40 percent. A variety of exemplary youth programs, including one that allows for preemployment skills training for individuals aged 14 and 15, are described in Section 205 of the Act.

[5] Under CETA (the federally funded employment and training program that preceded JTPA), "allowances" (typically set at the minimum wage) could be paid for hours the participant spent in training programs. This permitted the prime sponsors and states (the service delivery system under CETA) to give clients a source of income while they participated.

Some SDAs sought to stay below the performance standard for expenditures per client, which would mean that even more individuals could be served with the available funding. In such cases, even greater effort would be needed to meet enrollment and overall program expenditure goals. Efforts to keep per-person costs down and improve efficiency also affected an SDA's outreach activities. When such activities went beyond word-of-mouth and interagency referral agreements, it was usually to fill particular program openings. SDAs sought to increase demand only to the extent necessary to use the available supply of slots and funds.

All of the above factors, coupled with the voluntary nature of JTPA, made individuals at the local level reluctant to explicitly turn applicants away. Creation of a control group thus posed serious issues for SDAs and service providers.

- **Performance standards and distribution of 6 percent incentive funds result in an emphasis on successful achievement of short-term outcome measures.**

JTPA has established an extensive system of performance standards, which awards incentive funds to SDAs that exceed their standards. Those that do not exceed their standards receive technical assistance. If they fail to meet key performance standards for two consecutive years, they may be reorganized. SDAs' performance is evaluated at the federal, state, and local levels, according to predetermined outcome-based standards.[6] From the inception of JTPA through program year 1987 (ending in June 1988), the performance results for SDA programs for adults were judged by the following standards: the percentage of adults who obtained employment; the percentage of adults who were receiving welfare when they enrolled in JTPA and who found a job; the average wage at placement in a job; and the program cost per adult who obtained employment. For youth, the standards included the percentage who obtained employment, the percentage who entered employment or attained other quantifiable measures of program success,[7] and the program cost per youth positively terminated. Beginning in program year 1988, an additional standard was added to measure the percent of people employed 13 weeks after they left the program. For each measure, the U.S. Department of Labor set national levels which – at state option – can be adjusted to reflect the characteristics of those served and the conditions in the local labor market.

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[6] In addition to the performance standards, other quantitative measures of performance are enforced to varying degrees. These include requirements for expenditure levels, equitable services, and general compliance with provisions of the Act and regulations.

[7] The youth positive termination rate included those individuals who attained employment competencies recognized by local private industry councils, completed a certain level of schooling, enrolled in further non-Title IIA training, enlisted in the armed forces, returned to school full-time, or, for 14- and 15-year-olds, completed specified program objectives.

These measures and standards have resulted in an emphasis on successful achievement of short-term outcomes, a reliance on performance-based contracts, and, in many cases, some initial screening and services prior to the point of enrollment. Local areas often focus on generating high "success story" rates, which are generally interpreted as the highest placement rates at the lowest possible costs. Some state and local areas have independently defined targets, which moderate the emphasis on exceeding standards. However, the national average for expenditures per adult who enters employment and per youth who positively terminates has consistently been at a level well below the national standard.

While a few states have adopted the benchmarks established by the U.S. Department of Labor, nearly all have adjusted the national benchmark based on local factors (using a model provided by the department). Some states have added further standards and a few have developed alternative performance standard systems. Thus, states vary in their methods for allocating incentive funds.

The importance of doing well on the performance standards is reinforced by the distribution of Title IIA 6 percent incentive funds based on the extent to which the SDA *exceeds* the standards. As explained previously, these funds are available to the governor to provide incentive grants for programs exceeding performance standards, including incentives for serving hard-to-serve individuals. If the full amount is not needed for incentive grants, the remainder is to be used for technical assistance to SDAs that do not qualify for the incentive grants.

In recruiting sites, we found that states and SDAs varied in the importance they attached to meeting and exceeding specific standards of performance.[8] Incentive funds were also distributed in a number of ways to reward SDAs for exceeding individual performance standards. SDAs that received substantial awards and for which the awards were particularly important were less inclined to take risks that might jeopardize performance outcomes.

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[8] Research done for the National Commission for Employment Policy found similar variations. See National Commission for Employment Policy, 1988.

However, there was fairly consistent concern that some people assigned to the control group would be among those likely to succeed in the program and hence help the SDA meet performance benchmarks and standards. On the other hand, some states and SDAs encouraged the targeting of hard-to-serve subgroups and the development of special programs. These special recruitment targets also complicated implementation of the study at the local level.

An SDA's reaction to the study could be affected by how well the SDA was doing in meeting its goals, how important the receipt of incentive funds was to its overall program (in terms of proportion of dollars, flexibility of dollars, or prestige), and how much importance others at the state and local level attached to goal attainment.

The performance standards, coupled with JTPA's rules limiting administrative expenditures, led to frequent use of performance-based contracts. Such contracts tie allocation of budgeted funds to the achievement of pre-specified performance benchmarks, such as the achievement of competencies or the placement of individuals in unsubsidized employment. The existence of these contracts added to SDAs' and particularly to service providers' concerns about the diversion of randomly selected individuals away from JTPA services.

In general, SDAs and the service providers they contract with viewed as a substantial risk the establishment of the control group and the consequent diversion of some of those applicants judged by them to be likely to succeed.

- **JTPA does not follow a single program model. Services are individualized to meet local conditions and the needs of each SDA's customers (employers and job seekers).**

Section 141 of the Act states that training is to be provided only for occupations in demand in the local area or in an area to which the individual is willing to relocate. SDAs view their "customers" as the economically disadvantaged individuals seeking training and jobs, the employers who will hire the job-ready client (the "output" of the SDA), or both, with varying emphases.

PICs and local elected officials approve the job training plan for the SDA and thereby decide which employment and training services, from the array of available options allowed by JTPA, will be provided. For the economically disadvantaged client, an employability development plan based on an assessment of the individual's needs and interests is initially developed; the plan may be changed in response to changes in the person's needs and opportunities. The plan is generally individualized in terms of duration of services, number of steps, and sequence. But it is limited by the activities the SDA has planned to provide with the available funds. Some SDAs include options for the provision of basic education skills, and others emphasize shorter-term programs for the more job-ready, such as job search assistance and on-the-job training (OJT). Classroom-based occupational skills training can be provided through pre-existing courses at local education institutions or through specially designed intensive programs that focus on the acquisition of a single skill or set of skills. The latter are sometimes designed in cooperation with specific employers to help them fill particular vacancies and may be coupled with OJT.

When the component(s) originally determined to be appropriate does not result in the development of marketable skills or, after further assessment, is not acceptable to the person receiving the services, the plan may be changed. In some SDAs, assessment is incremental, with each phase producing decisions only about the immediate next step. Job search assistance is often used as a starting point and serves as both an extended assessment and a labor market screen.

For the employer, individualized services also include the referral of "best" candidates for jobs or OJT positions, quick processing of any employer-referred candidates, and simple procedures with a minimum of red tape. Some SDAs have established themselves as a personnel office for local firms, either independently or in coordination with the public employment service.

Therefore, actions that inhibit an SDA's flexibility in meeting the needs of these customers raises concerns. The study requires, for example, deciding up-front what category of services an individual is to receive and not changing the decision as the person moves through the program. It also requires that candidates for training or OJTs, including those referred by employers, be randomly assigned.

II. General Concerns About the Study at the Local Level

In discussions with SDAs, the research team had to address the concerns of the many actors at the local level. These concerns pertained primarily to general ethical and public relations issues and specific operational and performance-related questions about the study's methodology.

Agreement to participate in the study was actually a two-step process. First, the SDA and service provider staff and PIC members had to understand and generally approve of the study. For purposes of presentation, state and SDA questions about the purpose of the study and the methodology it employed are identified in this report as "general" concerns. An SDA had to be satisfied about these matters before it would even consider participating in the study. Participating in a random assignment field study was different from anything SDAs had previously been requested to do. Consequently, the discussions were lengthy and detailed. Second, once the reason for the study was accepted, SDAs had to consider what it would mean to implement the study while fulfilling their ongoing responsibilities. The questions pertaining to actual implementation of the study design and the rules sites would have to follow are labeled "operational" concerns.

The remainder of this chapter explores the risks or difficulties the SDAs and state staff envisioned if they were to join the study. The discussion begins with the general issues, those pertaining to the use of an experimental methodology. It concludes with the operational issues that had to be addressed in order to implement the study.

Table 2.1 summarizes the major issues raised by 228 SDAs with which the researchers had some formal contact about possible participation in the study.[9] The concerns discussed in the remainder of this chapter are derived from this table. It is important to note that the listing includes those issues that were voiced by sites; it is not the result of a response to a survey.

A. The Need for the Study and the Value of Participating

1. Resistance to additional studies of JTPA.

Most SDAs were not eager for an additional study. People at the local level often believed that the performance standard system and monitoring and auditing activities of the state and federal government produced more than sufficient information. A number of SDAs indicated that they had recently been the subject of federal studies; since participation in this

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[9] The process of site recruitment and the nature of these contacts are described in Chapter 5.

TABLE 2.1

PERCENT OF SDAs CITING SPECIFIC CONCERNS ABOUT THE STUDY

Concern	Percent of SDAs Citing the Concern
Ethical and Public Relations Implications of:	
Random Assignment in Social Programs	61.8
Denial of Services to Controls	54.4
Potential Negative Effect of Creation of a Control Group on Achievement of Client Recruitment Goals	47.8
Potential Negative Impact on Performance Standards	25.4
Implementation of the Study When Service Providers Do Intake	21.1
Objections of Service Providers to the Study	17.5
Potential Staff Administrative Burden	16.2
Possible Lack of Support by Elected Officials	15.8
Legality of Random Assignment and Possible Grievances	14.5
Procedures for Providing Controls with Referrals to Other Services	14.0
Special Recruitment Problems for Out-of-School Youth	10.5
Sample Size	228

SOURCE: Based on responses of 228 SDAs contacted about possible participation in the National JTPA Study.

NOTES: Concerns noted by fewer than 5 percent of SDAs are not listed.
Percents may add to more than 100.0 because SDAs could raise more than one concern.

study was voluntary, they chose to avoid additional intrusions. Some individuals felt that JTPA was already under greater scrutiny than other federally funded programs because of its performance standards; they believed that further investigation was unwarranted.

2. Confusion over impacts and outcomes.

The JTPA random assignment study was being introduced into an existing, well-established system, in which performance standards have been heavily relied on as indicators of program effectiveness. At the local level, SDA staff often encouraged their PICs and elected officials to judge program success by outcomes on performance standards. The allocation of incentive funds from the states to the local level reinforced this emphasis. Except in rare cases, people at the local level were not familiar with the difference between impacts and outcomes and the past unsuccessful efforts to measure impacts without random assignment. Therefore, they initially had difficulty grasping the necessity for a random assignment design. In general, policymakers, administrators, program operators, and line staff were accustomed to gauging program effectiveness by their results on the performance standards.

3. Reluctance to participate as one of a small number of sites in a study designed to benefit the system as a whole.

The National JTPA Study was designed primarily to provide federal policymakers with information on JTPA's effectiveness. SDAs often did not feel a responsibility to participate, especially since participation was not mandated and only 15 to 20 sites were needed out of a pool of 504 that fell within the broad research parameters for size and location. Many of those contacted felt that their individual decisions not to join would be inconsequential. Some SDAs said that they could get the results by comparing their SDA with others that did participate, without the burden of the research.

As noted earlier, JTPA's decentralized funding and decision-making structure contributed to the reluctance to be part of a national study. First, since JTPA is almost entirely federally funded, the financial rewards to the state and locality from being cost-effective are less direct than they are in other systems. For example, funding for welfare cash grants and for employment programs includes, in most cases, state and/or local tax dollars. In these programs, state and local governments therefore have a direct financial incentive to understand the factors that influence the return on their investment in training and the size of this return.

JTPA decision-makers at the local level did, however, understand the importance of determining the cost-effectiveness of JTPA, for other reasons. The public/private partnership established by the Act was intended to improve the responsiveness of the system to labor demand. But it was also a way to improve local accountability as to the efficiency and cost-effectiveness of service delivery. Local elected officials remain involved in JTPA through appointing members to the PIC. They also serve as partners to the PIC in approving the local plan and the selection of the organizations to be responsible for planning and administering the program. At the local level, the actual roles assumed by the decision-making bodies varied widely, but most groups focused initially on the potential influence of establishing a control group on their programs and on relationships in the community.

Second, because of JTPA's structure, local program operations are far removed from the federal level. Over JTPA's seven years of existence, SDAs have developed their own community role and administrative and evaluation systems. Thus, SDAs were less inclined than agencies directly linked to the federal government would have been to feel responsible for participating in a study whose primary purpose was to benefit the system as a whole.

Third, the autonomy for state and local areas represented in the Act, coupled with the federal government's effort to pass greater authority to state and local governments, meant that once the Department of Labor decided to make participation in the study voluntary,[10] it was not able to exert much influence over a site's decision about joining the study.

Finally, while recognizing the need for the study nationally, some SDAs were concerned about the responsibility they would be assuming for providing information that could influence the future direction of the whole system. Some SDAs wondered if the results would be framed and timed by a political agenda, and used in a way that could somehow be detrimental to the system. They were also worried about the local consequences if the story were to reflect negatively on aspects of their program or if they compared unfavorably with other SDAs in the study.

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[10] The decision not to mandate participation was also supported by the researchers. The complexity of the research design made the cooperation and commitment of local areas essential, and mandating participation could have made the study far more difficult to carry out.

B. The Ethics of Random Assignment

Early in the discussion with virtually every site, there arose questions about the ethics and public relations effects of randomly assigning volunteers to a control group in an under-enrolled system. As indicated in Table 2.1, 62 percent of the sites contacted about the study directly expressed concerns about the ethics and public relations aspects of random assignment as a research method. Some raised the issue spontaneously; others asked about it after researchers pointed out the typical questions that arise when a random assignment design is used.

1. Unfamiliarity with the design of experimental research.

As noted above, individuals at the local level often questioned the need for a rigorous study. In particular, they could not accept the need to establish a control group until they understood that the knowledge to be derived from this study was not currently available, and that other methods for obtaining information on impacts had been considered and rejected by evaluation experts as not sufficiently reliable.

The very idea of implementing an experimental design within a social service program was foreign to them, and there were often strong negative "gut" reactions to the concept of random assignment. Approximately 70 percent expressed concern about the use of random assignment to determine who would be enrolled or the denial of services to controls. To some people, an "experiment" evoked images of laboratory experiments, which they objected to on moral grounds. Others supported the experimental method but did not deem it appropriate for a study of an employment and training program. Others questioned whether other types of comparison groups would not be sufficient, especially when weighed against their perceptions of the intrusiveness of this design.

2. Denial of service in a voluntary system in which much effort is sometimes needed to reach enrollment goals.

Of the SDAs contacted about participation in the study, 54 percent indicated that denial of services was a concern. Many people questioned the ethics of assigning volunteers to a control group. Often, they described their program as a virtual entitlement for all eligibles who applied. They felt that by the very act of applying, applicants were demonstrating a special need or worthiness. They objected to making participation in the study a condition of program entry by requiring an applicant to sign the agreement to participate form early in the process of eligibility determination.

Often, individuals at the local level viewed their program as serving everyone who wanted or needed services, even though funding limitations generally result in SDA services being available to no more than 5 to 10 percent of the eligible population. They held this view because recruitment was a persistent problem. PICs were often surprised to learn that there were many more individuals eligible than resources would enable them to serve. However, random assignment still meant that the denial of service became active (actually saying no) for the period of the research rather than taking the indirect forms of limiting outreach efforts and intentionally or unintentionally establishing pre-enrollment steps to screen for "motivation" and "appropriateness."

3. Treatment of the control group.

Additional concerns were raised regarding the treatment of controls. Some SDAs felt that controls should be allowed to receive some type of JTPA services, should be compensated for their exclusion from services, or should be actively referred to other community services. Among the SDAs contacted, 14 percent felt constrained by not being able to actively refer controls. Others expressed concern about the length of time controls were to be excluded -- 30 months.

C. Legal Issues and Potential Grievances

SDAs were also concerned that their participation might result in grievances and legal challenges arising from the statute or civil rights laws. As noted above, many individuals at the local level viewed JTPA as an entitlement program, which it is not. There was also concern that random assignment was somehow discriminatory. Issues regarding the rights of the researchers to government records on individuals and procedures to ensure confidentiality were also raised.

D. Public and Community Relations

People were also concerned that, given the lengthy educational process it took for them to accept the study, the larger community might well not understand or accept it. In some SDAs, the possibility of unfavorable media coverage was cited. The community's reaction to random assignment, or even to the recommendation to participate in the study, might diminish the program's broader appeal. PIC members, conscious of their bottom-line orientation, did not want it to look as if they did not care about people. The possibility that new local officials might be elected who were unsympathetic to the study, and other local government issues, were cited as a concern 16 percent of the time.

JTPA's programs and services were part of the broader community. SDAs were concerned that other agencies, with whom they had long-standing relationships, might stop making referrals to them as they began assigning individuals to the control group. There was also some concern about the burden on other agencies if controls turned to them for services.

SDAs often tried to fill gaps in the local service network. Thus, the local program was embedded in a network of services, fulfilling a function for social services and for employers. SDAs did not want to disrupt this network by establishing a control group.

E. Consequences of Not Reaching Performance and Contract Goals

SDAs were also concerned that establishing a control group could negatively impact on their performance measures, hurt their reputations, and lesson their likelihood of qualifying for state incentive funds. Some SDAs were concerned about their stature in the community if the impacts were not statistically significant.

If recruitment was insufficient to fill available slots, that would mean the SDA was not using funds available to serve disadvantaged people, an ethically troubling situation, especially if they were not allowed to carry forward funds and spend them later. Politically, it could produce the charge that the program was over-funded.

III. State and Local Operational Issues

In addition to raising questions about methodology, SDAs had to consider how the study would work within their own system. The major issues were the following.

A. Disruption of Intake and Enrollment Procedures

1. Influence on recruitment practices.

SDAs were concerned that expanded recruitment efforts to produce the numbers needed for the study might generate applicants who were less needy, less motivated, and therefore harder to serve.

2. Additional front-end paperwork and its effect on applicants.

Early in the enrollment process, a baseline data collection form and an informed consent form had to be completed for each applicant. Eligibility determination was already a cumbersome process, and the addition of new forms -- the background information form alone was four pages long -- was viewed as discouraging applicants from following through with the process. Since eligibility determination often took a number of return visits, the decision to position random assignment after eligibility had been determined was raised as a concern in 11 percent of the SDAs.

B. Consequences of Early Assignment to Activity Categories

The study methodology required individuals to be assigned to treatment groups prior to random assignment (but after an initial assessment). This was viewed as interfering with SDAs' normal, ongoing assessment process, limiting their ability to change service recommendations, and jeopardizing achievement of their performance standards.

The assessment and reassessment process, coupled with the array of choices available, complicated the assignment of individuals to treatment streams for the study. This was the case even though, in practice, the initial employment plan is seldom changed in any major way for most participants. Short-term services intended to lead to placement in an unsubsidized job, such as job search assistance, and skills training programs turned out to be the most frequently emphasized activities. However, even within this pattern there was great variation in the types of programs offered, and SDAs were reluctant to give up the flexibility to switch a person from OJT to skills training or vice versa if the original service plan proved unworkable. There was no one model of assessment or services, which made it difficult to impose the random assignment methodology and to isolate the components to be studied.

In addition, multiple agencies were sometimes involved in the process of determining eligibility and completing assessments to determine the appropriateness of services under JTPA. In SDAs where services were decentralized, operational problems were cited as a concern 21 percent of the time, compared to only 5 percent of the time in centralized SDAs.

In SDAs where services to employers are emphasized -- including referrals, assessment assistance, customized training programs, and OJT slots -- the process caused additional concerns. The establishment of the control group was viewed as reducing the available supply of appropriate applicants to local businesses.

C. Staff Burden and Workload

Recruitment, paperwork, explaining the study to applicants, and intervention if grievances arose were all viewed as potentially time-consuming activities, which would divert staff resources from other work. The extra effort required to complete the research forms, make random assignment phone calls, and explain the study was a significant concern in 16 percent of the SDAs. There was also concern that disgruntled controls would approach elected officials and create an image of unresponsiveness to which SDAs' staff would need to respond.

SDAs also had to weigh participation against other new ventures, including major organizational or programmatic changes. The lengthy time commitment was also a cause for concern.

Potential performance problems could not be isolated to only one program year. The originally proposed 30-month exclusion period for all controls (subsequently shortened to 18 months) was viewed as both an ethical and an operational issue because SDAs would be unable to recontact this group in the foreseeable future to help build enrollments.

D. Reimbursement for the Costs of Implementing the Study

The U.S. Department of Labor authorized compensation to the sites for their efforts in implementing the study. However, SDAs often questioned whether the funding for participation in the study would compensate for their costs and efforts. They feared that the study might divert funds from other services. Further, as staff efforts were diverted to implementing the study, staff would spend less time on services that could enhance performance. Participation could also count against them as costs per adult job placement and youth positive termination were calculated.

E. Influence of the Control Group on Performance

As already discussed, assignment of individuals to the control group could exacerbate recruitment problems, cause underenrollment, and result in the underexpenditure of funds. Recruitment was cited as a concern by 48 percent of the SDAs. Additional recruitment efforts would absorb staff time and might not succeed. Further, if the efforts led to enrolling less job-ready clients, the 6 percent incentive grant awards might be threatened.

Community-based organizations serving as contractors to SDAs and rural SDAs were particularly concerned about the effect of denying service on their community image and ability to recruit. They feared that word would quickly get around that some applicants were being turned away. In small communities, there might be the awkwardness of encountering people who had been denied services or seeing them at community functions.

F. Influence on Service Providers' Ability To Meet Performance Benchmarks

Objection of service providers to the study was cited as a concern 17 percent of the time. The regulations provide an option for fixed-unit price (performance-based) contracting, an approach frequently used by SDAs in their subcontracts for services not provided by in-house staff. These contracts allow 100 percent of the costs incurred in providing training and services to JTPA participants and overseeing the program to be charged to training. They have served as a vehicle for covering additional administrative costs.[11] More importantly for the purposes of the study, fixed-unit price contracts provide the SDA with a method of contracting that ensures they only make payments when goals are achieved. Some contractors mistakenly believed that they would have to enroll individuals whom they otherwise would have excluded. Others felt that to meet enrollment benchmarks they might have to be generally less selective. Either way, many contractors worried about not being able to achieve the benchmarks necessary to recover the full amount of their contract.

The involvement of the private sector and the introduction of performance standards seem to have driven the system toward negotiating low-cost contracts. These have enabled SDAs to serve more people with the same amount of funds, sometimes exacerbating recruitment problems. They have also intensified the pressure on contractors to meet performance goals. Thus, contractors take very seriously any threat to their enrolling sufficient numbers of people who are likely to succeed. Interestingly, some PICs thought the study would force vendors to be less selective, which they saw as a positive change.

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[11] Legislation is currently under consideration in Congress that would increase the administrative category from 15 percent to 20 percent.

The Department of Labor has recently issued new guidelines on performance-based contracts, which have tightened what can be charged as a training cost. Other new proposals would further restrict their use.

G. Performance Standards and 6 Percent Incentive Funds

The influence of a control group on the achievement of performance standards and expenditure benchmarks was cited as a concern 25 percent of the time. In some SDAs, incentive grants were a significant portion of the budget; in others, they provided additional flexibility. State assurances were needed to overcome SDA concerns, but states were concerned about setting a precedent for governors' adjustments on performance standards and also worried about negative reactions from SDAs not in the study.

States showed varying degrees of willingness to support the National JTPA Study, a federal initiative. Some questioned whether regional Department of Labor employees who audited them two or three years later would be supportive.

In summary, while SDAs generally recognized the benefits of the study at the national level, there were many issues that needed to be addressed at the local level. The next chapter reviews how the general concerns were addressed, sometimes through changes in procedures or modifications of the design.

CHAPTER 3

ADDRESSING THE GENERAL CONCERNS OF THE SDAs

To reach an agreement with an SDA to participate in the study, MDRC staff had to deal with the many concerns described in Chapter 2. This chapter discusses how the fundamental questions about random assignment and the study were addressed. However, they were not always the first matters raised, nor were they necessarily the reasons an SDA decided against participating. The process of resolving the "operational" issues – those relevant to making the design operationally feasible – is discussed in Chapter 4.

I. The Ethics of Random Assignment

As described in Chapter 2, ethical concerns centered on questions about the need for another study of the system, the use of an experimental methodology that would exclude some people from JTPA services, and the appropriateness of this exclusion in the face of SDAs' difficulties achieving desired enrollment levels. The length of time controls would be excluded was also at issue.

A. Explaining the Need for the Study

In long and detailed discussions, MDRC staff explained the need for the study and how the information it would provide could help SDAs improve their programs. They pointed out, for example, that no existing study of JTPA attempted to estimate program impacts as opposed to program outcomes. (The distinction between outcomes and impacts was further clarified.) MDRC staff also reviewed the history of past nonexperimental research, reported in Chapter 1, to illustrate the need for reliable random assignment research on program impacts.

B. Addressing Ethical Concerns

MDRC staff typically brought these matters up early in their discussions with SDAs, since virtually everyone was worried about them. Staff stressed the need for rigorous research to improve the knowledge base of the system so that SDAs can build on strengths and correct weaknesses. Staff also clarified key points:

1. JTPA is a slot-limited program: It is not an entitlement for all who meet the eligibility criteria, as is the case with some other state and federally

funded programs. Random assignment is usually at least as fair and equitable a way to allocate limited program slots as other methods that are used, such as first-come, first-served or counselors' and service providers' assessments of those most likely to succeed. SDA staff acknowledged that they did routinely choose not to serve some eligible applicants and understood that random assignment only made the denial of service explicit and of longer duration.

2. Random assignment (coupled with effective assistance in client recruiting) should lead to a change in the way the SDA selected people to be served, but not in the number to be served.

3. Existing recruiting and intake techniques did not assure that those applying for program slots were any more needy or worthy than those who would be recruited by the expanded outreach that participating SDAs might need to meet their enrollment goals during random assignment. In fact, the pool of potentially eligible applicants was likely to include people with a wide range of skills levels and motivation, including some who might benefit greatly from the program but had not in the past had occasion to know about JTPA.

4. The current intake process might include unnecessary steps that screened out individuals who were appropriate for services.

The provisions for informing program applicants of the study's purpose and procedures reassured SDA staff that applicants would understand the ground rules for entry into JTPA and would be treated fairly and sensitively. The "agreement to participate" form, given to people early in the application process, was developed and refined with the assistance of some sites. Its purpose was to simply and clearly explain the aims, process, and requirements of the study. This form was originally translated into Spanish. Later, it was translated into nine other languages when an SDA needing this material joined the study.

Staff training and a procedures manual containing a sample script, talking points, and frequently asked questions also facilitated the implementation of random assignment during the intake process, as did a videotaped explanation of the study, developed with the Department of Labor and adapted in some SDAs to include local scenes and people. The videotape assured a consistent and complete explanation of the study, at least until staff became comfortable explaining it themselves.

Finally, the department authorized the research team to exclude particularly needy groups of applicants from the study if they did not constitute a large portion of an SDA's program. Examples of groups that were allowed to bypass the random assignment process and directly enter the program in some SDAs include homeless individuals, persons referred by courts to receive services as a condition of probation, and individuals with severe handicaps. In addition, the department allowed each SDA discretionary exclusions from random assignment equal to approximately 1 percent of the SDA's target number of random assignments.[1]

C. The Nature and Duration of the Exclusion of the Control Group

SDAs and service providers wanted to minimize the withholding of JTPA services from people assigned to the control group. Initially, the research plan would have required SDAs to inform those assigned to the control group that they could not be served within JTPA for 30 months following random assignment. Initially, too, there were no formal procedures permitting staff to suggest other service options to this group. Fifty-four percent of the SDAs contacted expressed serious reservations about denying all JTPA services to controls; 14 percent specifically objected to being prohibited from actively referring them to other agencies.

In response, the research plan was modified in two ways. First, even though follow-up was to continue for 30 months after random assignment, the exclusion period was reduced from 30 to 18 months, after which time SDAs could serve controls *if* they returned to the program on their own initiative. A review of the literature on programs such as JTPA and discussions with SDAs and service providers indicated that most applicants contact a program during an episode of unemployment or when specific events in their lives lead them to seek training. This implies that most would not reapply to the program after 18 months if the exclusion were lifted at that time; thus, the service difference between the treatment group and the controls would, in reality, continue for the entire 30-month follow-up period. Information to be collected on services received by controls – through reviews of JTPA program participation records and follow-up surveys – will reveal whether the shortened exclusion period did result in significant levels of JTPA service to controls after 18 months. The findings will be presented in later reports on this project.

Second, SDAs were allowed to provide all controls with a list of other, non-JTPA programs operating in the community but were not permitted to arrange individual referrals. MDRC and SDA staff in each site agreed on the list and the wording of the accompanying memo or letter. Typically, the list included the state employment service (often the only alternative in rural areas), local community colleges and technical institutes, and community agencies providing social services and housing assistance. The level of receipt of non-JTPA services by controls (and those in the treatment group as well) will also be measured in follow-up surveys.[2]

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[1] Agreements to participate were negotiated with each study site and defined the sample size, study procedures, financial compensation to the sites, and other obligations of both the sites and the research team.

Other ideas were suggested by some SDAs but were rejected. One recommendation was to provide some type of payment to controls to compensate them for the time and money (to cover transportation to the intake office and costs of child care) they spent in applying for services and to partially make up for their not receiving program services. However, a small payment would have undervalued the service provided by the SDA, while a large payment might have biased the results of the control group and was beyond the budget for the research study. A second possibility was to provide some short-term, "low-intensity" JTPA services, such as job search assistance, to all controls. This was ruled out for three reasons: The research design required a control group that did not receive JTPA services; not all SDAs already offered this type of service, and developing it would have diverted funds needed for other purposes; and short-term job search might be the only JTPA activity some individuals in the treatment group would receive, so providing it to controls would erase the difference between some members of the control and experimental groups.

II. Legal and Public Relations Issues

SDAs were provided with a legal opinion by the Solicitor General's Office of the U.S. Department of Labor that random assignment was legal under JTPA. Further, MDRC staff were able to report that grievances and legal challenges had not been an issue in past evaluations this team conducted using random assignment – a track record made possible with the strong cooperation of study sites, which followed the research procedures developed to ensure legality, fairness, and sensitivity.

Whether to actively seek press coverage for the study was a difficult question. SDAs wanted to announce their participation in the national study, and some felt that providing clear explanations of the control group early in the process would prevent possible misinformation in the future. MDRC prepared a press package including background on the study and a press release, which SDAs could adapt for their own community. Most SDAs did not use it, deciding instead to explain the study to the general public only if inquiries were made. In several SDAs, MDRC staff were brought in to assist with briefings of local elected officials and social service agencies not directly involved with the local JTPA program. MDRC staff were also available to brief the press.

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[2] In addition, the research team hopes to review participation records of selected non-JTPA service providers (most likely the state employment service and large community colleges) to measure the involvement of individuals in the research sample in other programs.

III. Recruitment and Enrollment Issues

These concerns were addressed in several ways. First, the original random assignment ratio of one treatment group member for each control group member was changed to two persons in the treatment group for each control, allowing SDAs to enroll a larger proportion of applicants. This and other changes in the random assignment ratio are discussed in more detail in Chapter 4.

Recruitment concerns were also addressed through technical assistance on recruitment and retention techniques, using specialists who had previously provided similar training within the JTPA system. Among the lessons offered to SDAs and service providers were:[3]

1. **View outreach and recruitment as a normal part of program operations:** Many staff implicitly assume that motivated, needy individuals will automatically seek out their services. They fear that recruitment efforts may, in fact, draw into the program less motivated, harder-to-serve applicants. In many communities, those people who are in contact with a social service agency such as welfare or the state employment service may know quite a lot about services such as those offered by JTPA, but the general population may be uninformed. Enhanced recruitment efforts can be used to draw in this large and diverse population.

2. **Target messages to reach subgroups in the eligible population:** SDAs should identify key groups that are hard for them to recruit and develop customized messages to reach them.

3. **Sell the program's benefits rather than its features:** People want to know what they will get out of the program – how it will serve their needs and goals. Information that just describes the program's organization and services is far less effective.

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[3] The assistance included group training sessions by Cygnet Associates, preparation of two lengthy "how-to" manuals by Cygnet, and on-site visits to many of the study SDAs. See Kelly, 1987, and Elsman, 1987.

4. **Time the recruitment effort optimally:** By planning their *annual* recruitment and enrollment campaign in advance, agencies can time their outreach efforts to hit people when they are "in a buying mood" and avoid the need for frantic efforts at the end of the program year in late June, a difficult time to recruit. Interest and participation in employment and training programs typically peak in the spring, fall, and period following the year-end holidays.

Client retention is just as important as recruitment. In many SDAs, fewer than one of every four persons making an inquiry about program services is ever enrolled. The others are prime candidates for SDAs' services, having already expressed an interest. The technical assistance highlighted these lessons for client retention:

1. **Adopt the viewpoint of potential applicants:** Think of applicants as the agency's customers, who can go elsewhere if they do not like the service they receive. Applicants can lose interest if they are forced to wait for an extended period, are treated impolitely, or are served in dingy or depressing surroundings. First impressions can be important: Receptionists, switchboard operators, and all members of the intake staff must be sensitive to the impression conveyed to clients.

2. **Avoid unnecessary steps in the intake process:** Some specialists maintain that each time potential applicants are required to make another visit, roughly half will not return. Recruiting experts strongly argued against the practice of erecting hurdles to "screen out" the unmotivated. In fact, an extended intake process may screen out those with other choices, leaving only those with no other options.

3. **Present the benefits of the program before its costs:** In many SDAs, applicants must provide considerable documentation to establish their eligibility for JTPA, entailing the expenditure of time, the stress of providing personal information to strangers, and the direct costs of transportation and, sometimes, child care. If the benefits are presented clearly first, potential applicants are more likely to pay the price of admission.

SDA staff were also encouraged to let the researchers know about problems related to the study. While there were limits to the changes that could be made without compromising the research, there was some flexibility, and adjustments could be considered. Ongoing communication and cooperation were essential.

IV. Potential Costs of the Study for SDAs and Their Compensation for Participating

Few studies of local programs, including those that use a nonexperimental research methodology, can be completed without some assistance from program staff. Salaries that cannot be absorbed – whether of on-board staff or new staff hired to cover additional activities – represent a cost of the study. Even in the least intrusive studies, staff need to assist in locating records and often are interviewed about the program. A random assignment field experiment requires even more extensive, active involvement of local staff members. This is needed to implement the random assignment procedures in intake and service delivery and to ensure that an individual's experimental/control status is not changed for the duration of the post-random assignment follow-up period.

In this study, SDAs were concerned about three kinds of costs. First, implementing the study procedures, especially the additional recruitment efforts and data collection, would impose direct costs on the sites. Second, they were aware that the study might have repercussions for performance-based contracts with their service providers. Finally, SDAs were concerned about possible future losses of incentive funds.

Recognizing these concerns, the Department of Labor approved a shift in project resources that allowed increased compensation to the sites for their efforts in implementing the study. Authorized compensation increased from an average of $40,000 per SDA to an average of $170,000 for the initial and continuing costs over the approximately three-year period of the study.[4] Funds were allocated based on estimates of each site's administrative effort in implementing the study. This, in turn, was affected by the size of the research sample, the number of offices and organizations involved in random assignment, and the difficulty of recruiting applicants. Payments ranged from $50,000 to $235,000. Since the contracts were not structured as cost-reimbursement contracts, SDAs still had to agree to participate in a study in which the actual costs were unknown and complete expense coverage could not be guaranteed. The increase in compensation, while helpful, was small compared to the amount of incentive funds some SDAs felt they would place at risk by joining the study.

A. Direct SDA Costs of Implementing the Study

The following discussion summarizes the required involvement of the SDAs' staff in the study's data collection activities. As this shows, there was substantial effort, and the level of compensation had to reflect this.

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[4] As discussed below, the funds saved by omitting a baseline information phone survey were used to increase support payments to the sites.

- **Baseline history:** A baseline history was needed for each sample member, using a form that would be standard for all the study sites. In the original research design, the researchers were to obtain the history by phone (with in-person backup) immediately after random assignment. The interview would take approximately 30 minutes and cover family composition, education and training, work experience, earnings, and welfare receipt. However, as part of the shift in project resources, the department approved substitution of a less detailed form, to be completed as part of the eligibility process.

  The revised form, now four pages long, could be filled out by program staff as they interviewed the applicant or completed by the applicants and then briefly reviewed by staff for accuracy and completeness. This background information form (BIF) had to be filled out at some point prior to random assignment, which meant that SDA and service provider staff often had to review the BIFs for more people than were actually randomly assigned.

- **Enrollment and termination records:** For the duration of the study, the researchers need JTPA program enrollment and termination records for the entire sample. These are obtained from the SDA management information system data base. Data on both initial enrollment actions and enrollment and termination from various components are needed.

- **Cost records:** Cost records maintained by the SDA are required to track expenditures for specific types of activities. Cost data on other types of services received by the treatment and control groups are obtained from published reports.

- **Interviews and document reviews:** SDA staff are interviewed and documents are reviewed at regular intervals over the course of the study. Information is obtained on local economic conditions, administration of the JTPA program, program activities, and implementation of the study.

Other data sources needed for the impact analysis are directly accessed by the researchers, but SDAs sometimes facilitate access to the information. These sources include the information collected during follow-up interviews at approximately 18 and 30 months after random assignment. The follow-up interviews update the baseline information.[5] They are fielded by phone (with in-person backup) and take approximately 30 minutes to complete.

Administrative records outside the SDA are an important source of information about the employment, earnings, and welfare receipt of all individuals in the sample. Public assistance, unemployment insurance, tax, and Social Security records are accessed to the extent feasible.

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[5] The 30-month follow-up interview updates information collected at the 18-month interview.

In addition to these data collection responsibilities, SDA and/or service provider staff were also responsible for explaining the study to applicants. They were expected to be able to present the project positively and clearly and to spend extra time with individuals who had questions. After the experimental status was assigned, staff had to follow specific guidelines in dealing with those who had been assigned to the control group. For those assigned to a treatment group, staff needed to ensure the provision of only those activities that were designated at the time of random assignment. These guidelines relating to the treatment and control groups had to be followed for 18 months after an individual's random assignment. Monitoring procedures had to be put in place to assure that all this would happen.

B. Potential Costs to Service Providers Under Performance-Based Contracts

Service providers were concerned about two kinds of potential costs. First, in more decentralized SDAs – those in which service providers played key roles prior to random assignment – methods for compensating the providers for the efforts discussed above were negotiated. Second, service providers who were reimbursed under performance-based contracts were greatly concerned that establishing a control group could result in their failing to meet their payment benchmarks. This could happen if increased recruitment did not produce enough additional applicants, or if the service providers had to be less selective about whom they did enroll. How to ensure that service providers were not disadvantaged because of the study, while avoiding a "hold harmless" situation that would change the nature of the system in which they operated, was a dilemma similar to the issue of assurances from states to SDAs. In decentralized SDAs, where service providers are responsible for recruitment, SDAs needed to be sure the service providers had an incentive to undertake more aggressive recruitment activities. Agreements that gave service providers payments for additional individuals recruited and determined eligible (as needed to create a control group) were critical to obtaining the support of the contractors in some SDAs. In addition, some SDAs agreed to take into account the existence of the control group in judging providers' performance. They sometimes agreed to apply any "adjustments" they received from the state to their contracts with service providers.

C. Potential Loss of Incentive Funds

While past evaluations provided no reason to believe that SDA performance would decline as a result of participating, some SDAs still had concerns. These were best addressed by assurances from the state that adjustments to performance standards would be made if their performance declined because of participation in the study. Some SDAs requested a 100 percent "hold harmless," but the researchers rejected this because it would change a significant factor of the system as it normally operates.

Some states were reluctant to promise that governors' adjustments to the standards would be made if they were necessary. The department, aware of the states' concerns, released a letter strongly encouraging them to support the participation of SDAs in their state. The department also provided preliminary guidelines for adjusting the standards and expenditure levels for SDAs in the study. Most states did then indicate a willingness to provide either verbal or written assurances that declines in performance that could be attributed to participation in the study would be considered. The specific assurances varied, but most states accepted the possibility of underexpenditures if recruitment did not compensate for those assigned to the control group, and that outcomes on performance standards might change in unknown ways. In addition, adjustments for the enrollment of harder-to-serve individuals, under-enrollment of some target groups, and potential costs of participation that exceeded the amount of study reimbursement funds were also assured.

V. Increasing the Benefits of the Information Provided to Study Sites

SDAs will receive detailed information on the characteristics of all study sample members plus outcome data from 18- and 30-month follow-up interviews. This is far more extensive information, with a longer follow-up, than SDAs could acquire on their own. As to impact findings, initially the research protocol specified that SDAs could only be offered results on their own program if the impacts were statistically significant. The relatively small sample sizes in many SDAs meant that they would receive few results on impacts for individual target groups or treatments. The intensity of SDA interest in this issue caused the researchers to agree to provide them findings on the selected subgroups and major activity components even if they are not significant at conventional statistical levels.[6]

The technical assistance and training on client recruiting and intake procedures also constituted a benefit to participating SDAs. Further, SDAs were offered the chance to participate in the national policy debate at project conferences attended by senior department officials and leaders of the JTPA system. Finally, the extended contact with the research team provides many opportunities for SDA staff to learn new study techniques. Attendance at conferences to discuss the implementation of the study and findings provides an opportunity for staff development in study methods and data collection techniques.

In summary, the general concerns were addressed by conveying the need for a rigorous study and by carefully modifying specific aspects of it. Ethical concerns were diminished by shortening the exclusion period for those assigned to the control group and by allowing a list of alternative services to be provided. Legal and public relations concerns were minimized by a written statement of the legality of random assignment, evidence from past studies, and assistance in explaining the study to groups outside the SDA, including the press. Concerns about the financial costs of participating were partially resolved by an increase in compensation and, in some states, assurances from the governor's office that adjustments to performance standards would be considered if participation in the study affected performance. An increase in the random assignment ratio of treatment group members to controls and technical assistance on client recruiting and retention lessened enrollment concerns.

The operational concerns of sites, reviewed in Chapter 2, were primarily addressed by explaining particular elements of the research plan or by modifying the plan. This process is discussed in the next chapter.

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[6] Study sites have been briefed on the cautions that are needed when using results that are not statistically significant. Analyses and briefings will include explanations of the degree of confidence that should be attached to each of the findings.

CHAPTER 4

BALANCING RESEARCH GOALS AND SDAs' OPERATIONAL CONCERNS

Chapter 3 discussed how the Department of Labor and the research team attempted to deal with SDAs' general concerns about the study. These issues had to be addressed to an SDA's satisfaction or it would not consider participating in the study. But SDAs were also concerned about how the study's implementation would affect their intake procedures, assessment practices, development of a service plan, and service delivery. These issues also had to be dealt with in developing a detailed study design, but they could not be considered in isolation.

Sites' operational concerns had to be balanced against the several, sometimes competing, research goals of the project: producing reliable impact estimates for the overall JTPA program in a sample of SDAs plus estimates for specific kinds of program activities or "treatments" and estimates for particular subgroups or "target groups" of program participants. The study sought to do all this while changing the existing program as little as possible. The unusual features of the JTPA program and the concerns of SDAs, discussed in Chapter 2, contributed to this challenge.

The decision to use random assignment – while the most important made by the department in planning the study – was only the first step in developing the research design. Other key questions, common to all research of this type including nonexperimental research, also had to be addressed. Doing so required tradeoffs:

1. **How should sites for the study be selected and recruited?** In selecting sites, how much emphasis should be placed on the representativeness of participating SDAs versus their willingness and ability to comply with study procedures? How should adequate sample size in the participating sites be assured?

2. **What types of changes in the SDAs' program and operations should be made as part of the research plan?** How much emphasis should be placed on studying the program as it normally operates versus making changes that would facilitate implementation of the study and allow it to address additional important questions?

3. **Where in the intake process should the point of random assignment be**

placed? What was the relative importance of estimating the overall impact of the programs studied versus estimating impacts of particular kinds of activities? What was an acceptable level of burden to place on SDA and service provider staff in order to refine the impact estimates for specific types of activities?

4. **For which specific kinds of activities or "treatments" should impacts be estimated? As was attempted in the CETA research, should impact estimates be calculated for individual types of activities such as on-the-job training (OJT) or classroom occupational training? Or should they be calculated for more flexible categories of activities that corresponded to the usual service plans in JTPA?**

There were also interactions among these questions. For example, decisions about how much emphasis to place on studying the program as it normally operates had implications for possible points of random assignment and for definitions of the treatments for which impacts were to be estimated.

This chapter uses these questions as a framework to summarize (1) the tradeoffs among research objectives, (2) the initial research plan outlined by the department in the RFP for the study, and (3) the final plan put in place in participating sites.[1]

At the time the project began, there was limited directly relevant experience for [illegible]ciding how much the study could accomplish. Consequently, the department started with a plan – which the department and research contractors agreed was very ambitious – and envisioned it being modified as the researchers collected additional information about the details of JTPA administration and the reaction of SDAs. This process of reconciling the original research design with the operational realities of the system led to important changes that set clearer priorities among research objectives and addressed concerns of SDAs.

I. Selecting Sites

Choosing a site selection procedure required three considerations to be balanced:

1. **Representativeness:** Sites should represent the diversity of SDAs in the system. If this were the only goal, sites would have been chosen randomly

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[1] In the process, it provides background on the implementation of random assignment research designs for those unfamiliar with this kind of research. The details of the final research plan are presented in Abt Associates, ICF/NORC, Manpower Demonstration Research Corporation, and New York University, 1989.

from among all SDAs, and participation in the study would have been mandatory. Selection on this basis would have increased the "external validity" of the results, that is, their generalizability to the rest of the JTPA system.

2. **Willingness and capacity to implement the research model:** Implementation of the research model would depend on the cooperation and administrative abilities of the local sites. Those qualities would be important in assuring that enough applicants would be recruited to allow creation of a control group without a decrease in services; that random assignment would be conducted properly; that those in the control group would receive services consistent with their treatment designation; and that control group members would not receive JTPA services during the period of their exclusion from the program. If successfully implemented, the random assignment research design would produce impact estimates that would be unbiased and would have "internal validity."

3. **Sample size and composition:** The larger the sample of people analyzed, the more precise the impact estimates. Sample sizes for key target groups and treatments were also a consideration in light of the goal of estimating these impacts.

There were also three key constraints on the SDA selection process. First, to control the costs of the study, the RFP specified that no more than 20 sites were to be included. Second, the department decided that participation by SDAs would be voluntary because they would probably resist mandated participation and because only willing participants were likely to provide the necessary day-to-day cooperation. Finally, so that the research design could be implemented without major changes in the normal operation of a site's JTPA program, SDAs' existing procedures had to be reasonably consistent with the research design.

The research team of MDRC and Abt Associates and the department had to weigh all these factors in developing a site selection process. Two main strategies were initially considered. The first would emphasize quick identification of sites that were willing and able to implement the research model, while still seeking sites that represented the diversity of the JTPA system. This option recognized early indications of strong concerns by SDAs about the initial research design. The second option placed great emphasis on the representativeness of sites. This approach recognized the clear advantages of a statistically representative sample of SDAs in drawing generalizations about the national JTPA program. With a demanding research design and voluntary site participation, achieving a strictly representative sample was unlikely, but the department felt it was worth attempting. Thus, while the department and research team put in place the latter approach, they agreed to an early review of progress in site selection and possible revision of the site selection plan.

Site selection and recruitment occurred in three phases, reflecting adjustments to the procedures and research design in the course of working with potential SDAs for the study.[2]

A. The Initial Probabilistic Selection Model

In the first phase, the department emphasized the goal of site representativeness. Since participation in the study was not mandated, a purely random sample of SDAs was not a realistic option. Instead, potential sites were designated through a "probabilistic"[3] selection of a representative sample of sites and through replacement of sites that did not agree to participate in a way that preserved the representative character of the sample.

The probabilistic selection process had several steps. Beginning with the list of all SDAs, the department and research team first eliminated very small SDAs, those with serious administrative or legal problems, and those outside the contiguous forty-eight states. The team then grouped the remaining 425 SDAs into 20 categories based on size, region, and success at meeting performance standards.[4] Twenty SDAs were chosen (one from each category) using a random selection process that oversampled larger SDAs. An ordered list of replacement SDAs for each designated SDA was also created. If the designated top priority SDAs could be recruited, that would produce more generalizable research findings than would a selection process based on soliciting volunteers from all SDAs in the system.

In August 1986, MDRC began to contact SDAs in each category about participating in the study. They were presented with the original research plan. (The original and final plans are outlined later in this chapter and summarized in Table 4.5 at its end.) Over the next five months, MDRC staff contacted 73 SDAs.[5] At the end of 1986, none of the top-priority SDAs had agreed to participate, although four were promising candidates.[6] In eight of the 20 categories, MDRC had contacted four or more SDAs about possible participation.

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[2] This topic is discussed in detail in Chapter 5.

[3] The term is used because every SDA in a given category would have an equal probability of being selected into the sample.

[4] This was measured by calculating the difference between the percent of adults entering employment after the program and the performance standard calculated for the SDA using the Department of Labor's regression adjustment model. SDAs doing better than the standard had positive ratings on this measure.

B. The Shift to a More Flexible Recruiting Approach

The SDA response led to major changes in the site selection process in January 1987, the beginning of the second phase of site selection. The goal consciously changed from getting a sample of SDAs selected through a probabilistic process to seeking a sample that would be broadly representative of the diversity of the JTPA system. The department and the research team agreed that MDRC should contact SDAs within each size/region category without regard to their order on the list and should initiate discussions with several SDAs in a category simultaneously.

C. Modifications in the Research Design

The third phase of the site selection process began in April 1987, when the department approved the final research plan. Changes in the period of exclusion for controls, in the treatment categories for the analysis, and in the compensation to sites for administrative expenses made site recruiting somewhat easier. However, as discussed in Chapter 5, the acceptance rate among SDAs never exceeded 10 percent in any period of the site selection process. No doubt, to some unknown extent, the "negative momentum" and adverse publicity about the initial research design affected the response of SDAs in later periods of site recruiting.

D. A Summary of the Sites in the Study

Table 1.4 lists the SDAs participating in the National JTPA Study. Together, they had an expected sample size of nearly 30,000. However, for reasons discussed in Chapter 5, the final sample size was approximately 20,000.

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[5] In addition, another ten SDAs not in the probabilistic sample contacted MDRC about the study. Substantive discussions were not held with these SDAs at this time, but in many cases MDRC recontacted them later in the site selection process.

[6] Discussions with SDAs initially contacted during this period often continued for several months. Four of these SDAs – Northeast Indiana (Fort Wayne); Macon/De Witt Counties (Decatur), Illinois; Larimer County, Colorado; and Oakland, California – later agreed to participate.

Chapter 5 also reviews the characteristics of the SDAs selected through this process and compares them to the national JTPA system. To briefly summarize their characteristics, they included two SDAs from the Northeast, four from the South, seven from the Midwest, and three from the West. According to information for program year 1986, the year in which site recruiting began, they served percentages of white and minority groups, school dropouts, and welfare recipients similar to the average for SDAs in the "pool" from which SDAs were recruited for the study. They tended to be somewhat smaller than the average SDA in the pool and to have done slightly better on measured performance.

II. Studying the Program as It Normally Operates

JTPA is an evolving program in which the statute, regulations, and administrative practices have changed to reflect new policy priorities. Future changes in JTPA are possible as Congress is currently debating major reforms of the program. As a result, the department and research team recognized that the program would not remain unchanged throughout the study. And clearly, by the time the final results of the research are available, the program will have changed in new ways. For this reason, the focus of the research is on questions that will continue to be important no matter how the program evolves.

At the same time, the department and research team did not want to induce unnecessary changes in the normal operation of the program in the process of implementing the study. Some changes were inevitable with the introduction of random assignment; others could be made to facilitate the implementation of study procedures. But all possible changes had to be appraised in light of the goal of studying the program in a form as close as possible to the way it normally operated. The department's key areas of concern included:

- **Client recruitment, intake, and selection practices:** Changes in these practices could lead SDAs to serve different types of clients than usual.

- **Assessment of client needs and service recommendations:** Changes in these intake steps could lead SDAs to provide different types of services to clients than usual. The newly chosen services could have different impacts from the services normally recommended for clients.

- **Service delivery:** Changing the nature, quality, or duration of the services offered in SDAs could change their impacts.

- **Performance assessment:** Changing the way SDA services were judged by modifying or overriding the existing performance standard system could lead to changes in program services (such as a shift to more costly activities) or less concern about job placement.

If these types of changes occurred, the impact estimates might not reflect the program as it normally operated, though they would be internally valid for the services provided to the individuals in the sample under the performance standards in effect at the time of the study.[7] Such changes might also limit the usefulness of the project's nonexperimental research: (1) a study of SDAs' recruitment and selection processes and (2) statistical modeling of SDAs' selection and assessment processes to improve methods of identifying a nonexperimental comparison group. To the extent that the JTPA study causes changes in recruiting, participant selection, and assessment, the lessons from these nonexperimental studies would be less directly applicable to JTPA.

Either the research team or the sites did, in fact, propose several changes of this nature early in the design and implementation of the study, requiring the department to set priorities among the research goals.

A. The Enrollment Problems of SDAs

When random assignment was proposed for the JTPA study, policymakers and researchers assumed that the establishment of a control group would not result in an actual reduction in the number of people receiving services at the study sites or, therefore, in an underexpenditure of funds. Since the national JTPA allocation provided enough resources to serve only 5 to 10 percent of the eligible population, it was believed that there would be many other equally eligible and needy individuals who would be enrolled and "take the place" of those assigned to the control group. In fact, random assignment, it was felt, would simply be another and potentially fairer method used by SDAs – in addition to their normal selection criteria – to allocate limited training slots among a far larger number of eligible people.

Consequently, the underenrollment and client recruitment problems of SDAs, common throughout the system and mentioned by nearly half the SDAs contacted about the study, created serious difficulties for the research. Recruitment became a pressing issue with the end of the recession in the mid-1980s. Before this time, local programs often relied entirely on "walk-ins" to their program or referrals from other agencies and were unprepared to conduct active outreach. The National JTPA Study began as the economy expanded and unemployment declined: In 1984, the national unemployment rate stood at 7.5 percent; by 1986, when the study began, it was 7.0 percent; and in 1987, when random assignment began, it was 6.2 percent. Table 4.1 shows the change in unemployment rates in the sites during site selection and early implementation of the study.

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[7] One type of difference from normal operations is relatively easy to compensate for: differences in the kinds of clients served. Using modeling techniques and the observable characteristics of people in the sample, the calculated impact estimates can be adjusted to reflect the composition of the usual SDA client population.

This "shortage" of applicants meant that creation of a control group could cause a decline in the number of people served in the study's SDAs unless:

1. SDAs increased outreach for clients and/or enrolled more of the people who inquired about JTPA; or
2. the proportion of the sample assigned to the control group was kept low, lessening the statistical precision of all impact estimates and possibly precluding meaningful impact estimates for specific treatments and target groups of applicants.

Recognizing the centrality of this issue, both ethically and operationally, the department agreed to provide participating SDAs and their service providers with extensive technical assistance on recruitment and retention techniques. As discussed in Chapter 3, this training was done by specialists in recruitment and program marketing from Cygnet Associates. Although it was designed to help SDAs recruit more of their existing target clients, the training no doubt subtly changed the average client characteristics.[8]

Most SDAs responded to the technical assistance in only minor ways, modestly altering their promotional materials and intake procedures. A few did more. For example, one SDA (Springfield, Missouri) streamlined the initial steps in its application process and more clearly described the benefits of program participation before requiring clients to complete the extensive application forms.

To ease enrollment problems, as discussed in Chapter 3, the department also approved a change in the random assignment ratio from one treatment group member for each control

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[8] The extent of these changes will be explored in later reports on this project.

TABLE 4.1

UNEMPLOYMENT RATES IN JTPA STUDY SITES, BY PROGRAM YEAR

Study Site	Unemployment Rate			
	1984	1985	1986	1987
Capital Area, MS (Jackson)	6.7	6.9	6.7	7.2
Concentrated Employment Program, MT (Butte)	9.0	7.5	7.7	7.4
Coosa Valley, GA (Rome)	7.5	7.0	5.7	6.5
Corpus Christi/Nueces County, TX	9.1	8.4	10.4	12.0
Crawford/Hancock/Marion/Wyandot Counties, OH	10.2	10.4	10.0	8.3
East Central Iowa (Cedar Rapids)	6.2	5.9	5.9	4.3
Greater Omaha, NE	4.8	4.7	5.6	5.0
Heartland, FL (Lakeland)	11.3	10.9	10.3	9.4
Jersey City, NJ	10.9	10.5	9.6	7.9
Larimer County, CO (Fort Collins)	4.8	5.2	5.8	7.4
Macon/De Witt Counties, IL (Decatur)	10.7	10.2	11.3	10.6
Northeast, IN (Fort Wayne)	8.9	7.2	6.0	5.1
Northwest, MN (Crookston and Thief River Falls)	10.3	9.1	10.0	8.6
Oakland, CA	7.0	6.8	8.7	7.7
Providence/Cranston, RI	7.2	5.2	4.6	4.3
Springfield, MO	7.7	6.4	5.9	5.7

SOURCE: JTPA Annual Status Report (JASR) for program years 1984-87.

NOTE: These years represent the labor market context for sites' decisions about participating in the study.

to two per control.[9] For some SDAs, the department authorized exclusion from random assignment of certain especially hard-to-recruit types of applicants such as older workers and handicapped applicants. Thus, all the eligible members of such groups could be served, since none would be assigned to a control group. In addition, in a few instances the department authorized a temporary increase in the random assignment ratio to three treatment group members (or, in some cases, six) to each control to lessen recruitment problems for specific groups in the sample and allow an SDA to continue to participate.

B. Estimating the Relative (Differential) Impacts of Treatments

Random assignment research can provide solid evidence on what type of service works best for what type of applicant, information that can be useful to SDAs. However, calculating the relative (differential) impacts of specific treatments through a random assignment field study would require major changes in the way SDAs and service providers choose what services to provide their clients.

Figure 4.1 illustrates the type of random assignment design that would be needed to determine the relative impacts of various services such as OJT, classroom occupational training, and job search assistance. Applicants who satisfied JTPA eligibility requirements would be randomly assigned to one of these three types of activities or to a control group, which would not be allowed to participate in JTPA. However, such random assignment to *treatments* would override the SDA's or service providers' usual assessment process, introducing a serious change in program operations.

To compare the treatments' relative impacts, the groups in each treatment would have to be the same except for the differences in treatment. But in JTPA's normal operations, staff typically recommend different types of applicants to different types of activities. Thus, without random assignment to treatments, it would be impossible to know whether different impacts resulted from the different treatments *or* from differences in the groups receiving them. As schematized in Figure 4.1, random assignment to treatments allows estimates of each treatment's *net* impact (by comparing the group receiving it to the control group) and the

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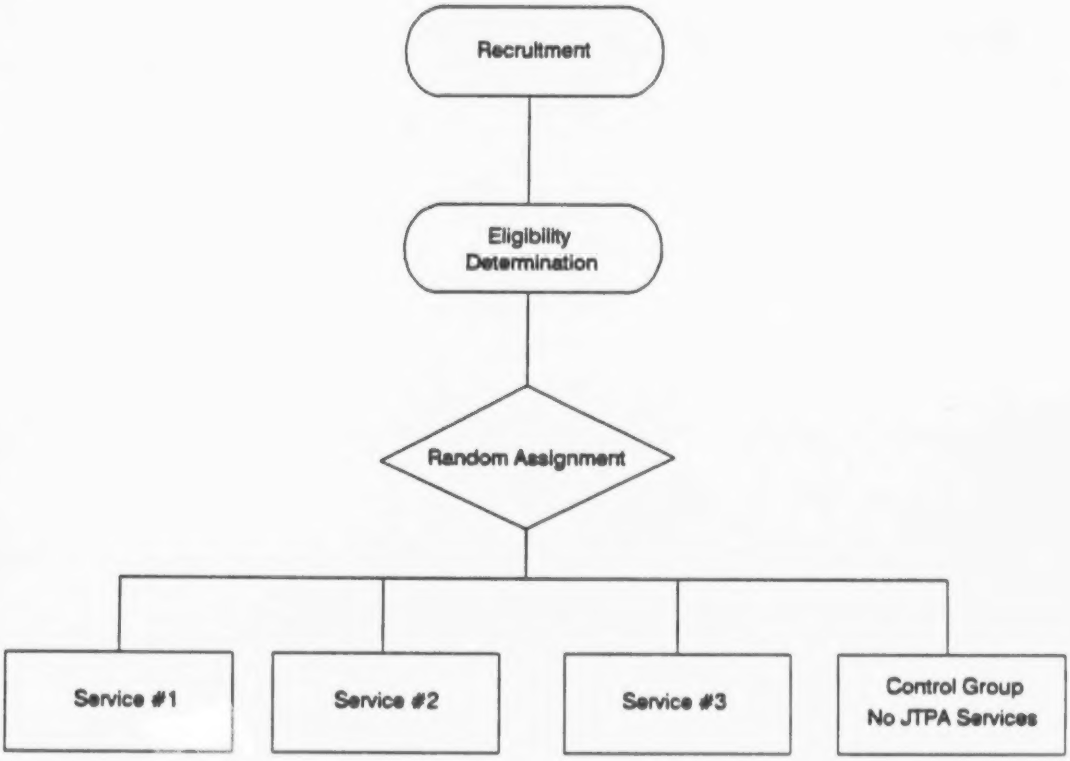
[9] This change will result in an approximately 12 percent decline in the statistical precision of the overall impact estimates. If the ratio had been changed to three treatment group members per control, statistical precision would have declined 33 percent. This methodological issue is further discussed in Chapter 6. See Cave, 1987.

FIGURE 4.1

RANDOM ASSIGNMENT TO TREATMENTS
OR TO A CONTROL GROUP


Recruitment
Eligibility Determination
Random Assignment
Service #1
Service #2
Service #3
Control Group No JTPA Services

relative impacts of the different treatments (by comparing treatment groups with one another).

A less intrusive design, such as that shown in Figure 4.2, would randomly assign people after the SDA or service provider staff recommended them for a type of service based on an assessment of their current skills, interests, and training needs. In other words, different types of people would be referred to each type of service. Hence the *net* impact of each treatment could be calculated by comparing the experiences of those assigned to it with the corresponding control group. But the experiences of the three treatment groups could not be compared, since they would differ in both treatment and baseline characteristics.

The payoff to the more intrusive design of Figure 4.1 is clear. But it would obviously conflict with the goal of studying JTPA as it normally operates by overriding the usual assessment process. It also would substantially increase SDA and service provider resistance to the study because they would be unable to tailor their services to the individual needs of applicants, a flexibility they value highly, as discussed in Chapter 2. For both reasons, the department and research team rejected a research design that would allow estimates of the relative impacts of treatments. Instead, as discussed later in this chapter, a design similar to that shown in Figure 4.2 was chosen.[10]

C. Performance Standards

Performance standards was the third area of concern about possible study-induced changes in JTPA. Many SDAs thought that creation of the control group, coming on top of recruitment problems, might force them to serve less job-ready and motivated applicants. They also believed that the performance standards adjustments allowed by the department's using its regression model did not adequately reflect the difficulties of serving and placing less job-ready applicants.[11] For both reasons, they believed their measured performance and, hence, incentive funds would decline.

Some SDAs requested a departmental guarantee that their incentive funds would not decline if they participated in the study. This option was rejected on two grounds. First, the

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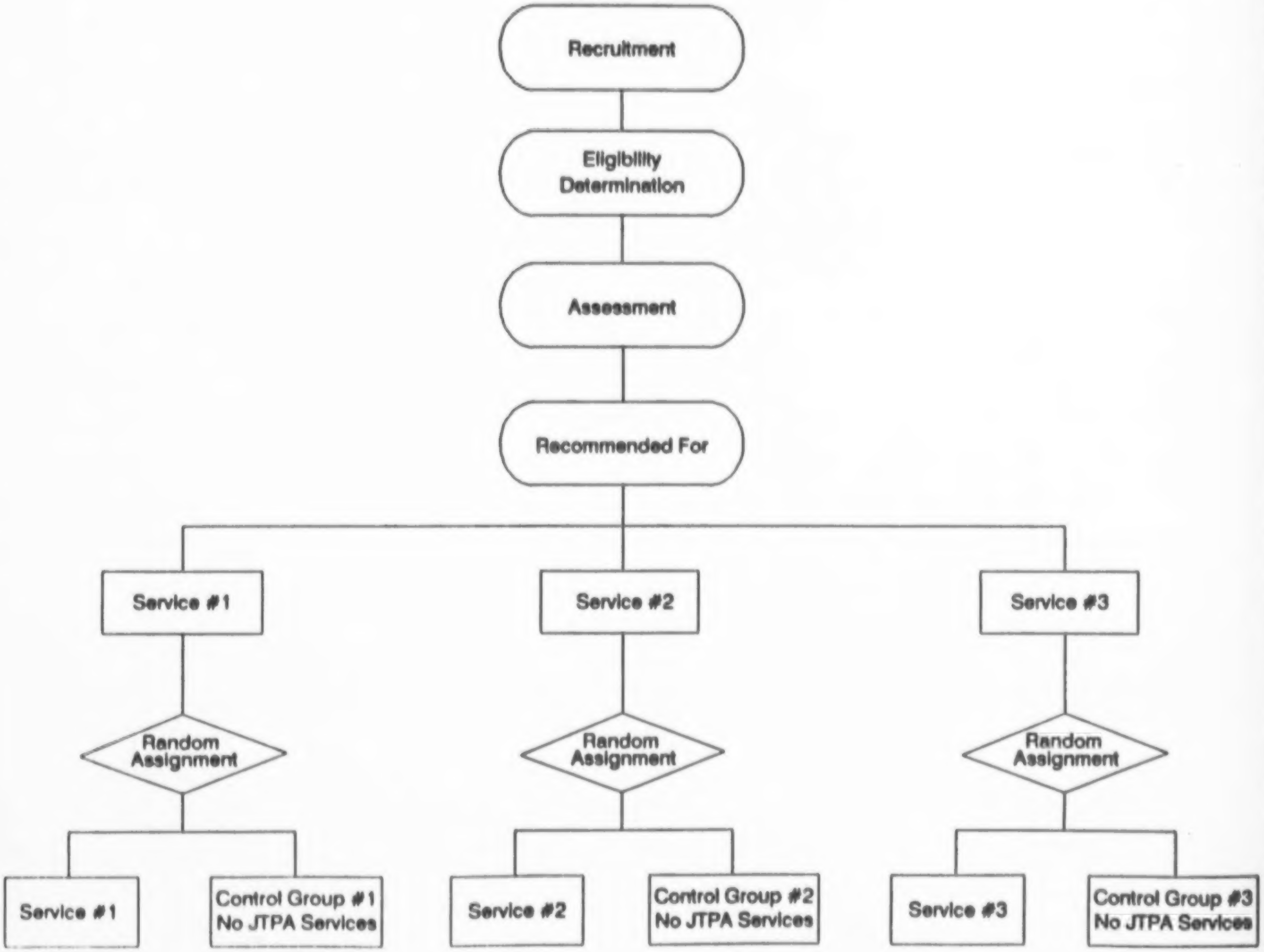
[10] Nonexperimental research that attempts to compare the impacts of treatments faces substantial obstacles because of the problem of selection bias. Not only must researchers successfully model the process of selection into the program, but they must also model assessment of needs and enrollment into specific types of treatments.

[11] See the discussion of performance standards in Chapter 2 and Appendix A.

FIGURE 4.2

RANDOM ASSIGNMENT FOLLOWING ASSESSMENT AND RECOMMENDATION OF SERVICE PLAN


Recruitment
Eligibility Determination
Assessment
Recommended For
Service #1
Service #2
Service #3
Random Assignment
Random Assignment
Random Assignment
Service #1
Control Group #1 No JTPA Services
Service #2
Control Group #2 No JTPA Services
Service #3
Control Group #3 No JTPA Services

states play the central role in developing formulas for the distribution of incentives funds and resolving disputes over measured performance. In this decentralized system, the department was not in a position – administratively, politically, or possibly legally – to override existing state performance assessment systems. Second, the department (with the support of the research team) believed that any "hold harmless" guarantee would fundamentally change the way JTPA operates. In an effort to address SDA concerns, the department did issue a letter to state JTPA directors urging them to administer the performance standards system flexibly for SDAs in the study and to make adjustments in the level of performance standards if an SDA made a plausible case that participation affected its performance rating.[12] The department also urged that if SDAs could make such a case, they not be required to provide extensive documentation. Despite these moves, many SDAs continued to be seriously concerned.

The final importance of performance standards adjustments will not be known until mid-1990, the end of the program year in which random assignment was completed. In the first two years of the study (program years 1987 and 1988), only five SDAs requested a special adjustment to meet their performance standards because of declines arguably related to the study.[13] Four of the five states made the adjustment.[14]

To summarize: In the three key areas just discussed, the proposed major changes were rejected (random assignment to a treatment and "hold harmless" provisions on incentive funds) and other changes were marginal (changes in recruiting and suggestions from the department for flexibility in administering performance standards). The department and research team were able to develop a research plan that made no or only minor changes in (1) SDA and service provider staff decisions on whether a client was appropriate for JTPA, (2) the process for recommending services for applicants,[15] and (3) the nature and duration of the services provided to those enrolled.

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[12] Under the existing performance standard system, governors have the authority to make "governors' adjustments" to reflect special circumstances in an SDA. See National Association of Counties et al., 1986.

[13] These SDAs were Corpus Christi/Nueces County, Texas; Capital Area (Jackson), Mississippi; Jersey City, New Jersey; Greater Omaha, Nebraska; and Providence/Cranston, Rhode Island.

[14] Rhode Island did not make the requested adjustment, partly because the state has only three SDAs, so increasing the incentive funds for one SDA would strongly affect the other two.

[15] As discussed later in this chapter, the requirement that service plans be left unchanged after random assignment might have caused problems. Because of the flexibility provided by the treatment category definitions, this was seldom the case.

This is not to say that participation in the National JTPA Study was "business as usual" for the sites. The worsening recruitment problems, due in part to continued low unemployment in the late 1980s, coupled with the creation of a control group, meant that both operating JTPA and implementing the study procedures presented challenges. From the sites' perspective, the study was one of several reasons why they might enroll applicants less skilled and job-ready than those served in the past.

III. SDA-Wide Program Estimates and Treatment-Specific Estimates

The department's RFP for the project requested estimates of the impact of the overall JTPA program in participating SDAs and of specific types of activities. The characteristics of many JTPA programs and the requirements of random assignment research created a tradeoff between these two types of estimates, which had to be resolved in the research design. The basic decision for the department and research team was at what point in the SDAs' intake and assessment process to place random assignment. The tradeoff implicit in this decision can best be explained through an example.

When people apply for JTPA activities, SDA or service provider staff typically start by informing them about the types of services available and determine whether those who are interested are eligible for the program.[16] Staff then assess the skills, interests, and training needs of those eligible as a step preliminary to developing a plan of recommended services.[17] In many SDAs approached about the study, staff reported that they provide a little instruction in job search techniques as part of this up-front orientation prior to completing the assessment and developing the service plan.[18]

On completing the assessment, staff determine if available JTPA activities are appropriate for the applicant. If so, they recommend a service plan, often called an employability development plan or EDP. Next, applicants are referred to possible activities: an education provider for basic education, a training agency for classroom training, an employer for an OJT, or job search assistance provided by the SDA or contracted out to another agency.

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[16] In most SDAs, the SDA subcontracts out much of service delivery to other agencies. In some SDAs, which greatly decentralize operations, this includes client recruiting and intake. In these decentralized SDAs, the service providers would be involved in explaining the study and conducting random assignment.

[17] This assessment process can range from an interview with a program intake worker to several days of testing, interviews, and career counseling.

[18] Some SDAs also use it to gather further information on applicants' motivation, job-readiness, and ability to interview with potential employers and draw on that information in making the assessment decision.

One option for the study was to conduct random assignment immediately after applicants were determined eligible, as shown in Figure 4.3. In this case, a comparison of the treatment and control groups' post-random assignment experience would have provided an estimate of the overall impact of program services for those found eligible. It would not, however, have provided experimental estimates of the impact of specific types of activities.[19]

Alternatively, random assignment could be done after staff assessed the skills and needs of applicants and identified those appropriate for particular categories of activities, as shown earlier in Figure 4.2. The impact of having access to a specific service could be estimated by comparing the post-random assignment experiences of those in that service to the control group that had been recommended for the same service. Furthermore, comparing the experiences of everyone in the various treatment groups to everyone in the various control groups would provide an estimate of the program's overall impact.[20]

No serious analytical problems would arise if the assessment and counseling services provided before random assignment were insubstantial relative to all the services provided to the treatment group. In this case, delaying random assignment to allow impact estimates for categories of activities would cause only a small downward bias in the impact estimates.

More serious problems would arise, however, in two cases:

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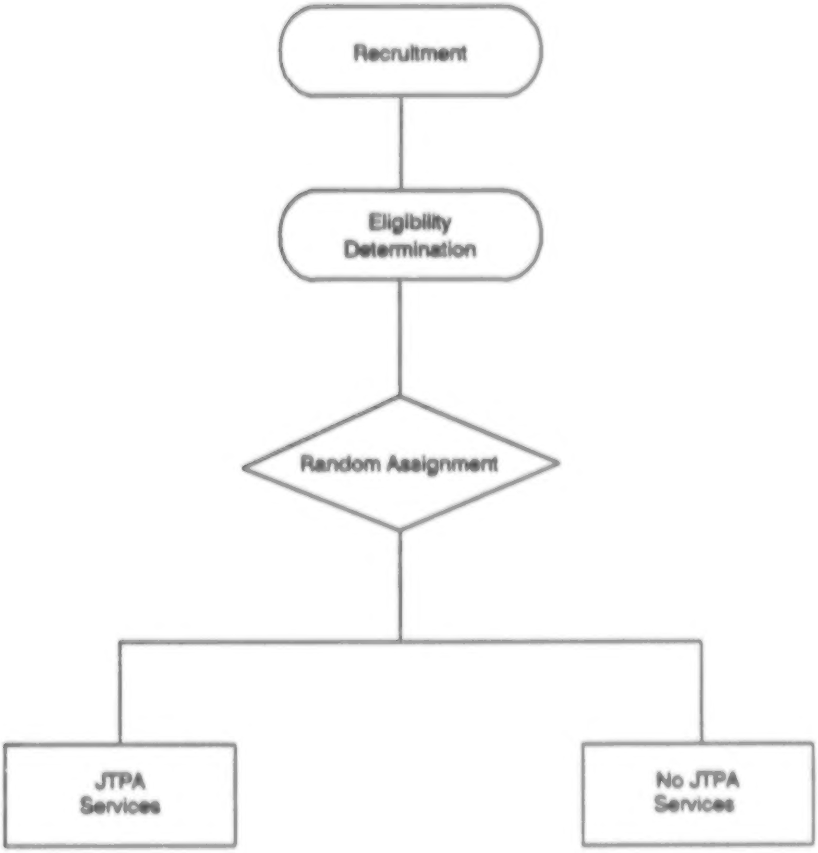
[19] As discussed earlier in this chapter, applicants' current skills and job-readiness affect the type of services recommended; those recommended for OJT, for example, are likely to be more job-ready than those recommended for basic education. Therefore, comparing the post-random assignment experience of treatment group members recommended for OJT (a relatively job-ready group) with the experiences of the entire control group would overestimate the impact of OJT. In general, under this design, it would be inappropriate to compare the experiences of individuals referred to specific types of activities with the experiences of the entire control group.

[20] Strictly speaking, this would be true only if all possible activities were included in the study and all individuals recommended for activities were subject to random assignment. This type of limitation on study results was present in the initial research design, as discussed in the next section of this chapter. Even in the final design, some components of the Title IIA program in an SDA may have been excluded from the study because of the operational difficulties of including them. Examples negotiated in one or more SDAs include transfers from programs funded by other titles of JTPA and referrals from other agencies to which the SDA is contractually obligated (for example, when the SDA is a service provider under state welfare employment programs).

FIGURE 4.3

RANDOM ASSIGNMENT FOLLOWING ELIGIBILITY DETERMINATION


Recruitment
Eligibility Determination
Random Assignment
JTPA Services
No JTPA Services

1. **Pre-random assignment services are substantial.** This could occur if assessment involved extensive testing, counseling, and job search instruction.

2. **A post-random assignment treatment involves low-intensity services.** This could occur if the primary SDA service was job search assistance.

In both cases, a significant proportion of all JTPA services comes before random assignment and is thus available to the control group. The comparison of the experiences of the treatment and control group would underestimate the impact of the entire JTPA program. From the perspective of the agency conducting the assessment and recommending services, there were also competing operational considerations in choosing the point of random assignment. On the one hand, the longer random assignment was delayed, the more information staff would have about clients' skills and interests and the more confident they could be about their service recommendation – but the more people the agency would have to "process" through its intake steps. On the other hand, if controls were identified early, they would not continue through succeeding stages, lessening both the administrative effort and the burden on clients before they learned if they could be served under JTPA. Earlier assignment would also reduce the stress on the staff, who would not become as emotionally committed to those who were eventually assigned to the control group.[21]

The initial and final research design for the JTPA study placed random assignment after assessment to make possible impact estimates for activities or, more precisely, categories of activities, as discussed later in this chapter.[22] In adopting this plan, the department chose to approve several small changes in normal program operations, if needed and accepted by participating SDAs, to facilitate implementation of the program model. These included limiting up-front job search assistance to a few hours in one SDA (Northeast Indiana) and requiring SDA and service provider staff in two SDAs (Larimer County, Colorado, and Oakland, California) to designate recommended services somewhat earlier than they had in the past.

The procedures for conducting random assignment were relatively straightforward, as shown in Figure 4.4.[23] (In this chart, the extra steps added to the normal intake procedures because of the study are indicated by dashed lines.) The staff of the agency conducting intake for the program (which, again, could be the SDA or the service provider) determined applicants' eligibility for the program and briefly informed them about the study, random assignment, and its procedures. As part of the intake process, applicants filled out a background information form, providing information on their characteristics and previous work and training.

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[21] There was a third possible point for random assignment: to delay it until the service provider had actually found the applicant acceptable for entry into the service. Something similar to this was done in some SDAs where service providers are involved in client recruitment and conduct their own assessment. However, this sequence was more complex to implement and increased administrative and client burden. It did have the advantage, however, of providing staff with more information to use in developing a service plan and increasing the participation rate of those assigned to the treatment group.

[22] Appendix B includes a description of the random assignment process in each SDA.

They were informed again about the study and given an opportunity to ask questions.[24] Many SDAs decided to use a videotape prepared by the department and research team, which described the goals and procedures of the study, to make sure that all applicants got a clear, accurate description of the project and random assignment. Some SDAs chose to make their own videotape to include local scenes and familiar types of clients. Once the study had been explained, applicants were asked to sign an informed consent form indicating that they understood the study procedures and gave the research team access to administrative records pertaining to their earnings and welfare receipt.[25] Staff then conducted their usual assessment, determined if the applicant was appropriate for JTPA, and, if so, recommended specific types of activities and designated a treatment category.

Once staff designated a treatment category and were ready to refer an applicant to an activity, they called MDRC on a toll-free number and provided the treatment category designation and simple demographic information on the applicant (to allow monitoring of sample buildup by target group).[26] They were then told the results of random assignment. Those randomly assigned to the treatment group were eligible to receive the service designated

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[23] The precise sequence of steps varied among the SDAs to accommodate differences in their usual intake procedures. In addition, in some SDAs, service providers played a greater role in client recruitment and assessment than that portrayed in the text and therefore were more involved in random assignment. The steps described in the text were typical of most SDAs. See Appendix B for a summary of departures from this normal sequence.

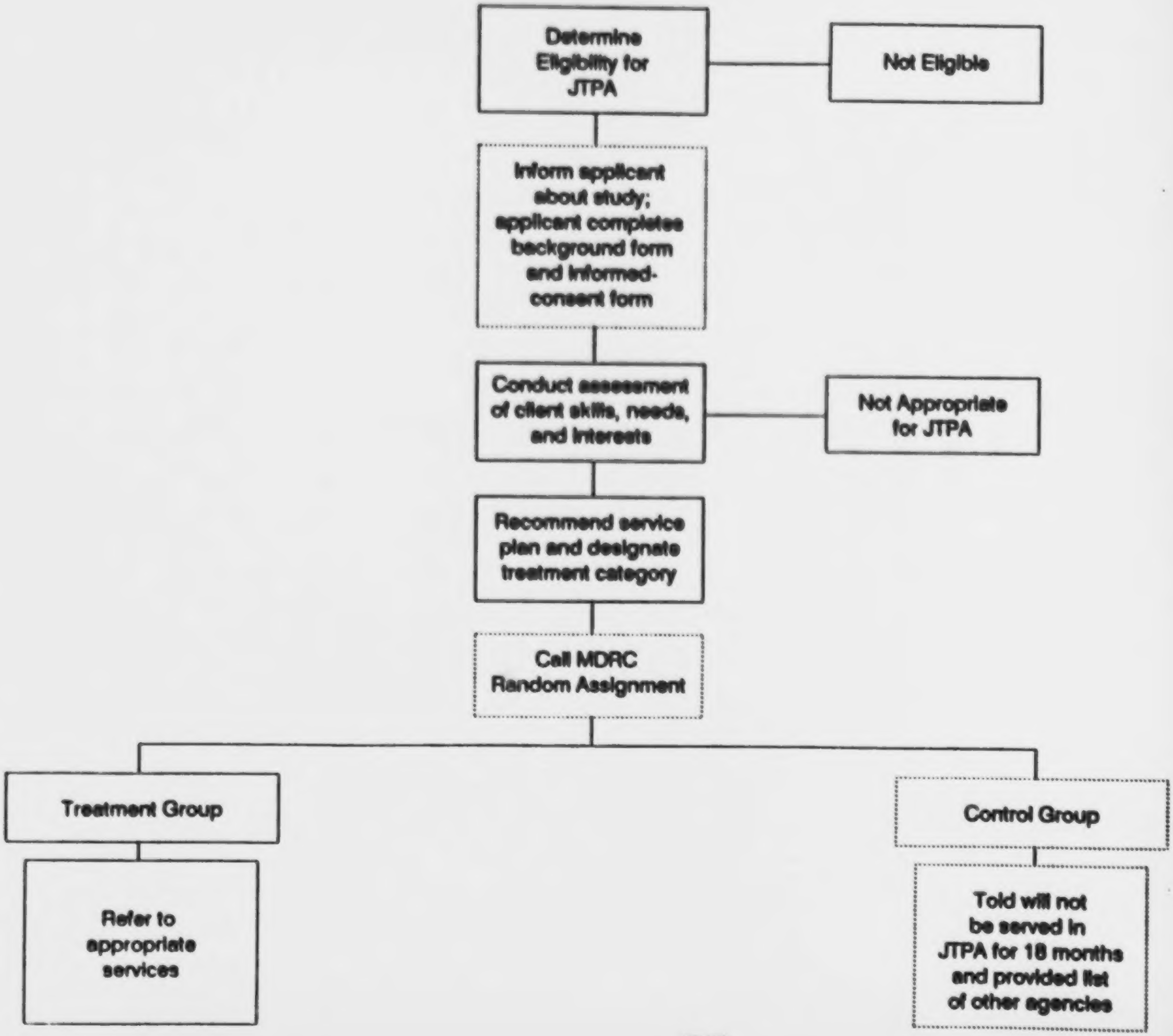
[24] In most SDAs, applicants heard about the study several times before random assignment and had several opportunities to ask questions.

[25] Individuals refusing to participate in the study and sign the informed consent form were not served under JTPA in participating sites while random assignment was part of the intake process.

[26] Calls could be made for individuals or batched for groups of applicants.

FIGURE 4.4

RANDOM ASSIGNMENT PROCEDURES IN THE NATIONAL JTPA STUDY


Determine Eligibility for JTPA
Not Eligible
Inform applicant about study; applicant completes background form and informed-consent form
Conduct assessment of client skills, needs, and interests
Not Appropriate for JTPA
Recommend service plan and designate treatment category
Call MDRC Random Assignment
Treatment Group
Control Group
Refer to appropriate services
Told will not be served in JTPA for 18 months and provided list of other agencies

by staff and were to be referred to appropriate agencies.[27] Those in the control group were told that they could not be served in any JTPA-funded activity within the SDA for 18 months and were provided with a list of other services in the community.[28]

The research team developed procedures to assure that the results of random assignment were followed in subsequent service delivery. SDA and service provider staff were instructed to note each person's assignment status and to follow that designation as they referred clients to services. (The next section of this chapter discusses the definition of the treatment categories and the restrictions on services they imply.)

Each week, every SDA and service provider office involved in client intake received a cumulative list of all persons randomly assigned in the SDA and their assignment status. Staff involved in client intake were instructed to consult these lists early in the intake process to identify persons who had already gone through random assignment.[29] They were to continue consulting these lists after random assignment ended until 18 months after the final random assignment in their SDA.[30]

If "repeat" applicants do reapply in the 18 months following the date of their random assignment, they are reminded of the study and their assignment status. Those who had been assigned to the treatment group could be provided services consistent with the original treatment designation. Controls were again provided with the list of other services.

IV. Defining Treatment Categories

The RFP for the study called for impact estimates for three specific activities: OJT, classroom occupational training, and job search assistance. (When the study began, approximately 75 percent of all JTPA Title IIA participants were enrolled in one of these three activities.) This focus on individual activities was consistent with the prior, nonexperimental research done on CETA, which reported impact estimates for these and other activities.

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[27] Delaying random assignment until staff were ready to refer applicants to an activity had the further advantage of raising the proportion of the treatment group who would actually participate in program activities. This point is discussed later in this chapter.

[28] As discussed in Chapter 3, the initial research design excluded controls from JTPA for 30 months and did not provide a list of other services.

[29] If staff did not notice that an applicant had already been through random assignment, the computer program used to conduct random assignment would identify them as a repeat.

[30] At this point, the service exclusion for the last control will end and restrictions on service choice for those assigned to the group to be served will also end.

The operational reality of the JTPA system, coupled with the requirements of random assignment research, led the department and research team to use a different definition of treatments, one designating treatment "categories" based on the service plans developed for applicants. This shift away from estimates for individual activities was made for several reasons.

Even though more than 75 percent of all participants are active in only one service,[31] at the time a service plan is developed staff often recommend several possible services. The actual services in which individuals participate are determined by many factors: their interests and needs, the availability of funding, openings in training agencies, possible job placements, and the availability of employers for OJT positions. This makes it difficult for SDA or service provider staff to choose a single service when they develop the service plan.

For treatment-specific impacts to be estimated, however, staff making service recommendations must designate a treatment category *prior to* random assignment so that a control group *for each treatment category* can be identified.[32] If the designation instead *follows* random assignment, it would be partly based on information and insights gained after random assignment, through working with an applicant – information that would not be available about control group members. For similar reasons, the designation of a treatment category cannot be changed after random assignment.

Also, as noted earlier, SDA and service provider staff value their ability to develop "individualized" plans for applicants. They felt that forcing them to choose a narrowly defined, binding treatment category would change their normal operations, even if in most cases they could readily comply with the service restrictions implied by their choice of category. Thus, more flexible, broadly defined treatment categories were seen as more consistent with the goal of studying JTPA as it normally operates.

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[31] This is true partly because of performance standards on costs per person placed in a job and per youth for whom a "positive termination" is achieved. See the discussion in Chapter 2 and Appendix A.

[32] As discussed above, different types of applicant are recommended for OJT, classroom training, and other activities. Thus, a separate control group is needed to estimate the net impacts of each treatment.

For all these reasons, the department and research team developed a new concept of "treatment categories" linked to the service recommendations of program staff. Rather than providing estimates of individual activities, as was done in the CETA research, this study uses treatment categories that allow combinations and sequences of activities and are consistent with the usual practices of many SDAs.

Discussions with SDA staff allowed the research team to identify a set of categories that would accommodate any conceivable service recommendation. Two were based on the most important components provided in JTPA – OJT and classroom occupational training[33] – while the third was a residual category, included to allow an estimate for the entire JTPA program in each SDA. Table 4.2 shows the definitions of the three categories, and Table 4.3 presents the guidelines given to staff about using the categories.

So that impact estimates could be gotten for service plans based on OJT and classroom training, the category anchored on OJT (to be used when recommending a person for an OJT alone or in a sequence) allowed any activity except classroom occupational training. The category anchored on classroom occupational training (to be used when recommending a person for classroom occupational training alone or in a sequence) allowed any activity except an OJT.[34]

The "other services" category was unrestricted, allowing inclusion of all possible service recommendations. This category, capped at a percent negotiated with the SDA, was intended to be used when staff (1) wished to begin a service sequence with something other than OJT or classroom occupational training and were undecided about subsequent services; (2) wished to combine classroom training and OJT, as is done in employer-customized training; or (3) wished to recommend a service plan that did not involve either classroom occupational training or OJT (for example, job search assistance only).[35] Among the SDAs in the study, the ceiling

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[33] Data from the National Job Training Longitudinal Survey (JTLS) available at the beginning of the study indicated that these two activities accounted for approximately 40 to 50 percent of all JTPA participants. This has since increased to about 60 percent.

[34] Eventually, the research team agreed to allow SDAs to provide a small amount of OJT following classroom occupational training in cases where it was needed to secure placement in a job. This OJT could not amount to more than 20 percent of total training hours. Similarly, SDAs were allowed to provide a small amount of classroom training (again, no more than 20 percent of all hours) when needed to give the applicant a "skills brush-up" in order to secure an OJT.

[35] SDA staff were required to list individual activities they were recommending for a person being randomly assigned. This will allow us to determine if a large portion of the people in this group were (continued...)

TABLE 4.2

ACTIVITIES AVAILABLE TO APPLICANTS ASSIGNED TO EACH TREATMENT CATEGORY

	Activities Available to Applicants						
Assigned Treatment Category	On-the-Job Training (OJT)	Classroom Training in Occupational Skills (CT-OS)	Combined OJT and CT-OS (Customized Training)	Basic Education	Job Search Assistance/ Job Placement	Work Experience	Other Activities
On-the-Job Training	Yes	No	No	Yes	Yes	Yes	Yes
Classroom Training in Occupational Skills	No	Yes	No	Yes	Yes	Yes	Yes
Other Activities[a]	Yes	Yes	Yes	Yes	Yes	Yes	Yes

NOTE: [a] This category is intended for applicants recommended for activities other than OJT or classroom training *or* applicants recommended for *both* OJT and classroom training. There is a ceiling on the proportion of applicants eligible for this category; the limit is negotiated individually with each SDA.

TABLE 4.3

GUIDELINES FOR SDA AND SERVICE PROVIDER STAFF FOR PICKING TREATMENT CATEGORIES (ACTIVITY GROUPS)

DO NOT PICK AN ACTIVITY GROUP IF:

You have not yet decided what activities would be proper for the applicant and you are not going to recommend the applicant for an activity. Wait until you have decided what you think would be appropriate for the applicant before picking an activity group.

PICK THE OJT ACTIVITY GROUP IF:

1. You recommend the person for an OJT opportunity;

OR

2. You recommend the person for some other activity first but you plan to get the person an OJT later. The first activity cannot be classroom training in occupational skills and it must be likely that the follow-up OJT will happen.

PICK THE CLASSROOM TRAINING IN OCCUPATIONAL SKILLS ACTIVITY GROUP IF:

1. You recommend the person for classroom training in occupational skills;

OR

2. You recommend the person for some other activity first but you plan to place the person in classroom training in occupational skills later. The first activity cannot be OJT and it must be likely that the follow-up classroom training in occupational skills will happen.

PICK THE OTHER SERVICES ACTIVITY GROUP IF:

1. You recommend the person for something other than classroom training in occupational skills or OJT: examples include work experience, basic education, job search assistance, and vocational exploration programs;

OR

2. You recommend the person for a special combination of both CT-OS and OJT (as in a customized training program for a certain employer) or a planned sequence of classroom training in occupational skills followed by OJT, or vice versa. If the customized training is primarily classroom training in occupational skills, the applicant would be included in the classroom training in occupational skills group. If the customized training is primarily OJT, the applicant would be included in the OJT group. But if the recommended service is truly a combination of the two, the applicant would go into the "other services" group;

OR

3. You have decided that the applicant is someone you would want to try to serve and you have decided on a first activity other than classroom training in occupational skills or OJT but you have not figured out a likely sequence of further activities.

on the percent of the sample in the "other services" category ranged from 15 to 70 percent. In an effort to avoid changing service delivery patterns, the ceiling in an SDA was negotiated to reflect the pattern of service participation by enrollees in previous years. SDAs that typically provided a high percent of their participants only job search assistance or special services other than OJT or classroom occupational training were allowed high percentages in other services.

While these final definitions of activity categories were flexible enough to allow staff to make their usual service recommendations and to include all possible service plans, they do represent a potential challenge in the analysis. Their flexibility raises the possibility of ending up with service patterns for treatment group members in the three activity categories that are difficult to describe simply. While past research on CETA had many problems, as discussed in Chapter 1, the activities studied in the research were simple and easy to describe. In the National JTPA Study, the treatment categories may be consistent with the operational reality of the program but harder to describe. Furthermore, in what would be the worst case for analytical purposes, the differences between the actual service patterns in the two primary categories could be small. Since the two primary categories (OJT and classroom occupational training) allow less intensive activities *as a substitute* for the primary intensive activity (not just in addition to it), it is possible that a substantial portion of those in the treatment group in each category could end up getting only job search assistance or some other less intensive service. However, this commonly occurs in the normal operation of JTPA.

While the final resolution of this issue must await later reports, some early information is available. As part of its monitoring effort, MDRC collected JTPA enrollment data on a sample of people in the study. These data provide some indications of patterns of enrollment in JTPA by treatment category.[36] These data show that in the calendar quarter of random assignment or the following quarter, approximately one-half to two-thirds of those in the treatment group enrolled in JTPA. (The actual number showed seasonal variations and

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[35](...continued)
being recommended for a single type of activity. If so, the sample size for this activity may be large enough to allow calculation of its separate impacts.

[36] The data included JTPA enrollment records for a sample of approximately 1,000 people in all 16 SDAs in the study. SDA enrollment data for the entire sample will be used in later reports to examine this issue.

variations across the sites.) No one in this early sample enrolled in any activity inconsistent with his or her activity category designation. About two-thirds of those in the classroom occupational training category who enrolled were participating in classroom training. However, for the OJT category, only about half of those who enrolled received an OJT. Placement in an OJT is particularly complicated because it requires finding an employer offering the type of training desired, negotiating an agreement, and convincing the employer to hire the applicant. This proportion of enrollment in an OJT – which reflects the normal operations of JTPA – is similar to that found in previous random assignment studies of OJTs for welfare recipients.[37]

V. Summary of the Research Plan

Table 4.4 summarizes the initial and final research designs for the experimental analysis in the National JTPA Study and Figure 4.5 depicts the random assignment model. The basic goal of the study – estimates of the overall program and specific treatments in the participating SDAs – will be achieved, without major changes in the operations of the program except for the added recruitment effort required to create a control group. The treatment categories used in the analysis represent a new approach to this type of research and are based on the operational reality of the JTPA system. The final research design, from the perspective of the sites in the study, represents an increase in the benefits of participating and some reduction in the costs.

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[37] These studies found positive impacts for OJT programs despite these low participation rates. See Auspos, Cave, and Long, 1988; Freedman, Bryant, and Cave, 1988.

TABLE 4.4

RESEARCH ISSUES IN THE INITIAL AND FINAL DESIGN

Design Feature	Initial Design	Final Design
Site Selection	Attempt to recruit a probabilistic sample of up to 20 SDAs, stratified by region and size and oversampling larger SDAs. Participation by SDAs is voluntary.	Recruit a sample of up to 20 SDAs that represents the diversity of the JTPA system, with large SDAs overrepresented. Participation by SDAs is voluntary.
Key Areas of the Program To Be Changed as Little as Possible	To the extent possible, no aspect of the program should be changed.	Service recommendations, program services, and performance standards should be changed as little as possible. Expand client recruiting as needed to permit creation of the control group without reducing service levels. Change intake procedures, if needed, to establish a point of random assignment that will allow estimation of overall and activity-specific impacts.
Options Offered to Members of the Control Group	Excluded from JTPA for 30 months following random assignment. Eligible for other services in the community not funded by JTPA, but not provided with any referrals to those services.	Excluded from JTPA for 18 months following random assignment. After 18 months, can be served if they reapply, but no special outreach to controls permitted. Eligible for other services in the community not funded by JTPA and provided with a list of agencies but no specific referrals to services.
Coverage of Treatment Categories	Title IIA applicants who were adults or out-of-school youth and who were not recommended for OJT, classroom occupational training, or job search assistance were excluded from the study. Approximately 75 percent of national participants in JTPA received one of these three services.	All Title IIA applicants who were adults or out-of-school youth were included unless excluded from the study through negotiations with the SDA or through the SDA's use of small numbers of discretionary exclusions. Negotiated exclusions included programs with severe recruitment problems or those serving especially needy clients.
Point of Random Assignment	Random assignment to occur as close to the potential start of services as possible. Staff to complete eligibility determination and assessment, develop a service recommendation, identify a possible service provider, and then conduct random assignment for the individual.	Random assignment to occur after staff complete eligibility determination and assessment and develop a service recommendation.

(continued)

TABLE 4.4 (continued)

Design Feature	Initial Design	Final Design
Sample Size and Disaggregated Impact Estimates	Up to 30,000, with impact estimates for target groups (adult males, adult females, minority youth, and white youth) and treatments (OJT, classroom training, and job search assistance).	20,606, with impact estimates for target groups (adult males, adult females, minority youth, and white youth) and treatment categories based on OJT, classroom training, and other services.
Random Assignment Ratio of Treatment and Control Groups	Half of sample randomly assigned to treatment group and half to control group.	Two-thirds of sample randomly assigned to treatment group and one-third to control group. Some temporary changes to a 3:1 or 6:1 ratio allowed in cases of severe recruitment problems.
Options for Those Randomly Assigned to the Treatment Group	Eligible to receive services consistent with the activity category for which they were recommended. Did not attempt to randomly assign applicants to different treatments because this would override normal assessment and service recommendations, leading to major change in program operations.	Same.
Definition of Activity Categories	Three categories based on the most common individual services: OJT, classroom training, and job search assistance. Combinations and sequences not expected to be common.	Two categories based on OJT and classroom training. A third category of "other services" is a residual for those not recommended for either OJT or classroom training or recommended for both of these services. Combinations and sequences of activities are expected to be frequent.
Data Collection Methods	Baseline interview for 30 minutes fielded by phone (with in-person backup); follow-up surveys for 30 minutes fielded by phone (with in-person backup) at 18 and 30 months after random assignment; JTPA program participation and termination records; cost records on program services; interviews with program staff; and, to the extent feasible, public assistance, unemployment insurance, tax, and Social Security administrative records.	Background Information Form filled out by applicant and reviewed by SDA staff prior to random assignment; follow-up surveys for 30 minutes fielded by phone (with in-person backup) at approximately 18 and 30 months after random assignment; JTPA program participation and termination records; cost records on program services; interviews with program staff; and, to the extent feasible, public assistance, unemployment insurance, tax, and Social Security administrative records.

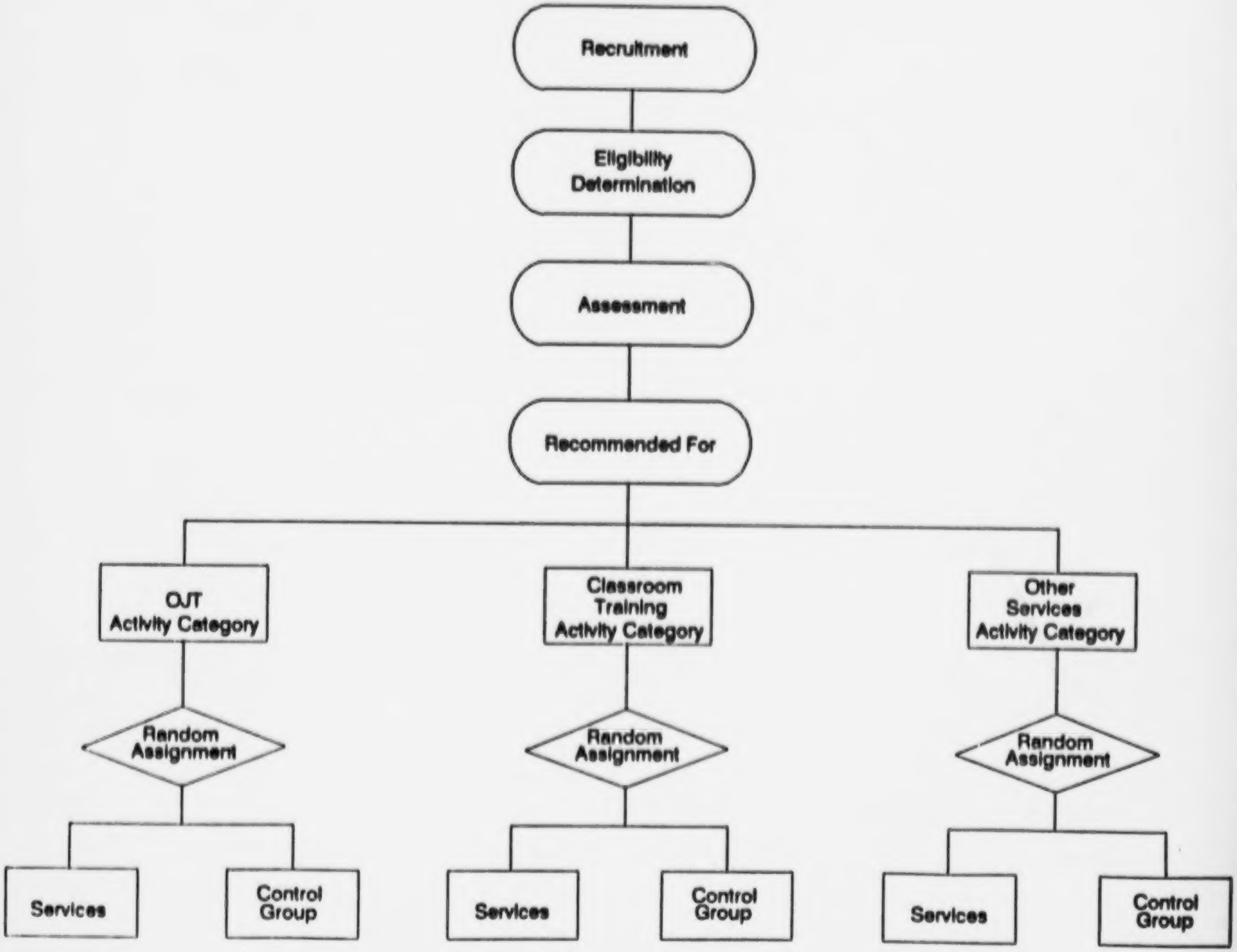
(continued)

TABLE 4.4 (continued)

Design Feature	Initial Design	Final Design
Monetary Support for Participating SDAs	Average of $40,000 per SDA to defray some of the administrative costs of implementing the study.	Average of $170,000 per SDA to defray administrative costs of implementing the study. Payments based on sample size and administrative effort involved in implementing the research design.
SDA Responsibilities	Comply with the random assignment procedures in intake and service delivery; exclude controls from JTPA services for 30 months following random assignment; assure an adequate number of applicants to allow creation of a control group without reducing the number of people served; meet negotiated sample size; provide the designated JTPA services to as many individuals in the treatment group as possible; and assist the research team in collecting information on program operations, participation in JTPA, and costs.	Comply with the random assignment procedures in intake and service delivery; exclude controls from JTPA services for 18 months following random assignment; assure an adequate number of applicants to allow creation of a control group without reducing the number of people served; meet negotiated sample size; provide the designated JTPA services to as many individuals in the treatment group as possible; and assist the research team in collecting information on program operations, participation in JTPA, and costs.

FIGURE 4.5

RANDOM ASSIGNMENT MODEL FOR THE NATIONAL JTPA STUDY


Recruitment
Eligibility Determination
Assessment
Recommended For
OJT Activity Category
Classroom Training Activity Category
Other Services Activity Category
Random Assignment
Random Assignment
Random Assignment
Services
Control Group
Services
Control Group
Services
Control Group

CHAPTER 5

THE SITES SELECTED FOR THE STUDY AND THE RESULTING SAMPLE SIZE

This chapter concludes the discussion of the site selection process. It begins by providing a more detailed analysis of SDAs' concerns and other factors affecting their decisions about participating in the study. Then it addresses the issue of the representativeness of the SDAs in the study by comparing the sites in the sample to SDAs nationally on measurable characteristics. As the discussion shows, many of the same concerns about the possible effects of the study on local operations emerged across all SDAs, there is no simple relationship between local conditions and participation or nonparticipation in the study. However, since the SDAs in the study were not chosen randomly, there are inevitably some differences between the SDAs that accepted the offer to participate in the study and those that refused or were never asked. Finally, the chapter presents the sample sizes for the entire sample and for target groups and treatment categories and discusses the reasons the sample fell below the original ceiling of 30,000.[1]

I. An Analysis of the Response of SDAs Contacted About the Study

Under the ground rules established by the Department of Labor, SDA participation in the study was voluntary. This meant that despite initial efforts to recruit a probabilistic sample of SDAs into the study (as described in Chapter 4), the final decision about participation depended on the local (and, to some extent, state) reaction to the study.[2] Analysis of this decision is important because it might yield lessons for future studies seeking to recruit local programs into a complex random assignment field study. It also provides insights into the differences between participating and non-participating SDAs, lending a context for interpreting later impact results from the study.

As discussed in Chapter 4, there were three distinct phases of site selection: *Phase 1,* from October 1986 to January 6, 1987, involved a "probabilistic" selection process; *Phase 2*, beginning January 6, 1987, allowed for the recruitment of a diverse group of sites based on size, region, and other characteristics; and *Phase 3*, from April 30, 1987, through September 1988, began with a modification of the research design to address SDA concerns. Table 5.1 summarizes the characteristics of the sites recruited. Appendix B provides additional detail and a profile of each site in the study.

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[1] The characteristics of individuals in the sample (such as race, sex, age, education, etc.) – and how they compared to all those served in JTPA – will be analyzed in detail in a report to be produced in late 1990.

[2] The state reaction was important if SDAs were concerned about the possible impact of the study on their receipt of incentive funds under the performance standards system. State flexibility on this issue could affect the local response.

Table 5.2 shows the response of all SDAs with which MDRC staff had substantive discussions about participating in the study.[3] This information is presented in two ways: The upper panel groups SDAs according to the date of MDRC's initial contact with them, while the lower panel groups them according to when they made a final decision about participating. Both perspectives are useful: SDAs' reactions were often heavily influenced by the research design that was in place when they were initially contacted, but discussions often continued for an extended time and the terms of participation could change.

From both perspectives, the acceptance rate increased somewhat over time, but it remained low throughout the entire site selection process. As the top line of the upper panel shows, during Phase 1 of site selection, MDRC was in contact with 83 SDAs.[4] Five (6 percent) eventually participated, while 56 rejected the offer, and 22 were dropped by the research team and the department as inappropriate for the study.[5] In Phase 2, MDRC contacted 61 additional SDAs, of which 6.6 percent eventually participated, while in Phase 3, MDRC contacted 85 additional SDAs, 8.2 percent of which participated. During Phase 1, as shown in the top line of the lower panel, 48 SDAs made a final decision about participating in the study based on the research design in place at that time; all but one chose not to participate. The acceptance rate of those SDAs that decided in Phase 2 was 4.9 percent, and in Phase 3, it was 10 percent.

Two points must be kept in mind in reviewing this table. First, in many SDAs, all major agencies and officials seriously affected by the study had to support the effort: One strong

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[3] It excludes approximately 100 SDAs that were sent a notice of the study but never responded.

[4] Seventy-three of these SDAs were contacted by MDRC under the probabilistic selection process. The other ten were not identified as priority SDAs under the probabilistic selection process, so no substantive discussions were held at that time. In Phase 2, when the recruitment procedures were changed, MDRC recontacted most of these SDAs.

[5] SDAs were dropped because they were in the midst of administrative reorganization; they were facing a state takeover because of performance problems; their program configuration could not be accommodated within the research design; or they were too geographically dispersed or served too few people.

TABLE 5.1

SELECTED CHARACTERISTICS OF SDAs PARTICIPATING IN THE NATIONAL JTPA STUDY

SDA	Region	Size	Largest City	Target Sample
Capital Area, MS (Jackson)	South	Small	Jackson	1,220
Concentrated Employment Program, MT (Butte)	West	Medium	Butte	825
Coosa Valley, GA (Rome)	South	Medium	Rome	1,800
Corpus Christi/ Nueces County, TX	South	Medium	Corpus Christi	1,500
Crawford/Hancock/Marion/ Wyandot Counties, OH	Midwest	Medium	Marion	1,150
East Central Iowa (Cedar Rapids)	Midwest	Small	Cedar Rapids	2,693
Greater Omaha, NE	Midwest	Medium	Omaha	1,600
Heartland, FL (Lakeland)	South	Large	Lakeland	4,850
Jersey City, NJ	Northeast	Medium	Jersey City	1,600
Larimer County, CO (Fort Collins)	West	Small	Fort Collins	1,200
Macon/De Witt Counties, IL (Decatur)	Midwest	Small	Decatur	750
Northeast, IN (Fort Wayne)	Midwest	Large	Fort Wayne	3,600
Northwest, MN (Crookston and Thief River Falls)	Midwest	Small	Thief River Falls	550
Oakland, CA	West	Medium	Oakland	1,065
Providence/Cranston, RI	Northeast	Medium	Providence	1,750
Springfield, MO	Midwest	Medium	Springfield	2,000

TABLE 5.2

SDAs CONTACTED AND PARTICIPATION RATE, BY PHASE OF SELECTION PROCESS

Phase of Site Selection Process	Total SDAs Contacted	SDAs Participating	SDAs Rejecting	SDAs Dropped[a]	Participation Rate (%)
Date of Initial Contact:					
Phase 1: Initial Design[b]/ Probabilistic[c] Selection (Before 1/6/87)	83[d]	5	56	22	6.0
Phase 2: Initial Design/ Expanded Recruitment[e] (Between 1/6/87 and 4/30/87)	61	4	49	8	6.6
Phase 3: Final Design[b]/ Expanded Recruitment (After 4/30/87)	85	7	65	13	8.2
Date of Final Decision:					
Phase I: Initial Design/ Probabilistic Selection (Before 1/6/87)	48	1	34	13	2.1
Phase 2: Initial Design/ Expanded Recruitment (Between 1/6/87 and 4/30/87)	61	3	47	11	4.9
Phase 3: Final Design/ Expanded Recruitment (After 4/30/87)	120	12	89	19	10.0
Total	229	16	170	43	7.0

NOTES: [a]SDAs were dropped because they were in the midst of administrative reorganization; they were facing a state takeover because of performance problems; their program configuration could not be accommodated within the research design; or they were too geographically dispersed or served too few people.

[b]Summarized in Table 4.4

[c]The term is used because every SDA in a given category would have an equal probability of being selected into the sample.

[d]Seventy-three of these SDAs were contacted by MDRC under the probabilistic selection process. The other ten were not identified as priority SDAs under the probabilistic selection process, so no substantive discussions were held during Phase 1. In Phase 2, when the recruitment procedures were changed, MDRC recontacted most of these SDAs.

[e]Under expanded recruitment MDRC was allowed to recruit sites under any given category without regard to the probabilistic selection process.

opponent could lead an otherwise willing SDA to decline to participate.[6] A clear example of this occurred in San Antonio, Texas, where the SDA staff and PIC agreed to participate but their decision was overridden by a vote of the city council. In other potential sites, the PIC and city officials supported participation but SDA staff opposed it. Second, it is likely that during the third phase some SDAs were aware that concerns had already been raised by others, and this "negative momentum" may have affected their own responses.[7]

A starting point for understanding SDAs' reactions is a more detailed analysis of the concerns discussed in Chapter 2. Table 5.3 shows issues raised by those SDAs agreeing to participate and those declining to, listed in the order in which they were the most commonly cited by all SDAs. Both participating and non-participating SDAs raised similar issues. For example, 56 percent of participating SDAs expressed ethical and public relations concerns about how random assignment might be implemented in their program, while 62 percent of SDAs declining to participate raised these issues. Overall, the most commonly cited concerns involved (1) potential controversies surrounding the study because of ethical and public relations problems with random assignment or with the denial of services to controls, (2) the study's impact on meeting recruitment goals, and (3) the study's possible impact on performance standards. Eighty-eight percent of SDAs agreeing to participate in the study expressed at least one of these interrelated concerns, a figure only slightly different from the 83 percent for SDAs not participating (not shown in Table 5.3).

SDAs agreeing to participate were significantly *more* likely to raise a concern about possible effects on performance standards, potential grievances, and problems recruiting particular groups. Typically, these SDAs had more detailed discussions with the research team, and they had to explore all aspects of the study to develop detailed plans for its implementation.

Local circumstances could largely determine the importance of the issues to each SDA and the willingness and ability of local staff to work with the research team to address them. Differences in local conditions, in fact, is what distinguished participating and non-participating SDAs. These differences could include both objective, easily measured characteristics of SDAs,

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[6] As noted in Chapter 2, service providers under performance-based contracts were often the most difficult to convince of the merits of the study.

[7] The study had been discussed in some JTPA newsletters and at national conferences of JTPA administrators.

TABLE 5.3

PERCENT OF SDAs CITING CONCERNS ABOUT THE STUDY, BY PARTICIPATING AND NON-PARTICIPATING SDAs

	Percent of SDAs Citing the Concern		
Concern	SDAs Participating	SDAs Not Participating	Total
Ethical and Public Relations Implications of:			
Random Assignment in Social Programs	56.3	62.3	61.8
Denial of Services to Controls	50.0	54.7	54.4
Potential Negative Effect of Creation of a Control Group on Achievement of Client Recruitment Goals	62.5	46.7	47.8
Potential Negative Impact on Performance Standards	68.8	22.2	25.4***
Implementation of the Study When Service Providers Do Intake	18.8	21.2	21.1
Objections of Service Providers to the Study	12.5	17.9	17.5
Potential Staff Administrative Burden	18.8	16.0	16.2
Possible Lack of Support by Elected Officials	6.3	16.5	15.8
Legality of Random Assignment and Possible Grievances	37.5	12.7	14.5**
Procedures for Providing Controls with Referrals to Other Services	25.0	13.2	14.0
Special Recruitment Problems for Out-of-School Youth	31.3	9.0	10.5**
Sample Size	16	212	228

(continued)

TABLE 5.3 (continued)

SOURCE: Based on responses of 228 SDAs contacted about possible participation in the National JTPA Study.

NOTES: Concerns noted by fewer than 5 percent of SDAs are not listed.

Percents may add to more than 100.0 because SDAs could raise more than one concern.

A two-tailed t-test was applied to differences between participating and non-participating SDAs. Statistical significance levels are indicated as: * = 10 percent; ** = 5 percent; and *** = 1 percent.

such as those reported in the JTPA Annual Status Report (JASR), and less clear-cut, but still important, differences in leadership style or desire to be involved in the national policy debate. As the rest of this analysis shows, there are few clear patterns of differences on the characteristics included in the JASR data, and an SDA's decision apparently was also affected by such intangibles as the personality of the SDA director or PIC chairperson and local political circumstances in the SDA.

A. A Comparison of Participating and Non-Participating SDAs Based on JASR Data

Table 5.4 presents characteristics of participating and non-participating SDAs in program year 1986, when MDRC began contacting SDAs.[8] Participating and non-participating SDAs show statistically significant differences on only three of these characteristics: regional distribution, population density, and number of program terminees in program year 1986.[9] SDAs agreeing to participate were more likely to be from the Midwest than were other SDAs contacted about the study. Seven SDAs in the study (44 percent) were located in the Midwest, as opposed to only 17 percent of non-participating SDAs. Participating SDAs also served a smaller average number of people under Title IIA than did non-participating SDAs.[10] In interpreting this, it is important to realize that smaller SDAs are not necessarily more rural; among SDAs in the study, two inner city areas (Oakland and Jersey City) served fewer people under Title IIA in program year 1986 than did the national average for all SDAs.

Table 5.5 presents a comparison of adult and youth performance measures for participating and non-participating SDAs. For each of the seven performance measures in

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[8] Because the discussion in the text examines SDA decisions about whether or not to participate in the study, the SDA is the unit of analysis and the tables in this section of the report weight all SDAs equally. The text tables present averages for the two groups on each characteristic rather than medians, because average is a more familiar measure. The results are similar for comparisons using medians in most cases. Cases in which extreme values affect averages are mentioned in the text. Appendix Table C.1 presents a more detailed unweighted comparison of participating and non-participating SDAs, including information on the distribution of SDAs in each group for many characteristics. Appendix Table C.2 presents a comparison of participating and non-participating SDAs weighted by the number of terminees in an SDA from Title IIA in program year 1986.

[9] Statistically significant differences are those that are very unlikely to occur by chance if there is in fact no difference between the two groups.

[10] Nineteen percent of SDAs agreeing to participate had fewer than 500 terminees in program year 1986, while 4 percent of other SDAs contacted fell into this category (not shown in Table 5.4). The initial pool of potential SDAs for the study was identified using program year 1984 data; those with fewer than 500 terminees in that year were eliminated from the list. Some SDAs with more than 500 terminees in program year 1984 had fewer than 500 in program year 1986.

TABLE 6.4

SELECTED CHARACTERISTICS OF SDAs CONTACTED DURING SITE RECRUITMENT, BY PARTICIPATION STATUS

Characteristic	Participating SDAs	Non-Participating SDAs	Total
LOCAL SETTING			
Region (%)			
Northeast	12.5	22.1	21.4
South	25.0	30.0	29.7
Midwest	43.8	16.9	18.8
West	18.8	31.0	30.1
Average SDA Unemployment Rate (% in program year 1986)	7.8	7.4	7.4
Average Change in SDA Unemployment Rate from 1985 to 1986 (percentage points)	0.1	-0.3	-0.3
Average Population Density (persons per square mile)	1,245	1,172	1,177**
SIZE OF PROGRAM IN PROGRAM YEAR 1986			
Average Terminees from Title IIA	957	1,957	1,888
CHARACTERISTICS OF PEOPLE SERVED UNDER TITLE IIA IN PROGRAM YEAR 1986			
Average Percent of Terminees Who Are White	59.8	54.9	55.3
Average Percent of Terminees Who Are High School Dropouts	25.5	24.7	24.8
Average Percent of Terminees Who Are Welfare Recipients	26.9	28.8	28.8
LENGTH OF PROGRAM SERVICES UNDER TITLE IIA IN PROGRAM YEAR 1986			
Average Weeks of Enrollment for Adults	18.3	17.2	17.3
Average Weeks of Enrollment for Youth	19.9	17.9	18.1
Sample Size	16	213	229

(continued)

TABLE 5.4 (continued)

SOURCE: JTPA Annual Status Report (JASR) for program year 1986.

NOTES: Due to missing data, the sample size for individual SDA characteristics varies from 15 to 16 for participating SDAs and from 209 to 213 for non-participating SDAs.

An F-test was applied to differences between participating and non-participating SDAs. Statistical significance levels are indicated as: * = 10 percent; ** = 5 percent; and *** = 1 percent.

Results of the F-test show that none of the differences in individual characteristics is statistically significant except regional distribution. Tests indicated that Midwestern SDAs and small SDAs were more likely to participate.

TABLE 5.5

SELECTED PERFORMANCE MEASURES OF SDAs CONTACTED DURING SITE RECRUITMENT, BY PARTICIPATION STATUS

Characteristic	Participating SDAs	Non-Participating SDAs	Total
ADULTS			
Entered Employment Rate (%)[a]			
Average	77.7	72.4	72.5**
Adjusted[b] Average	14.3	10.4	10.7*
Welfare Entered Employment Rate (%)[c]			
Average	71.0	64.0	64.5**
Adjusted Average	18.8	11.9	12.4**
Wage at Placement ($)[d]			
Average	5.04	5.18	5.17
Adjusted Average	0.36	0.46	0.45
Cost per Entered Employment ($)[e]			
Average	2,838	2,829	2,830
Adjusted Average	-1,595	-1,615	-1,613
YOUTH			
Positive Termination Rate (%)[f]			
Average	85.1	81.3	81.4*
Adjusted Average	10.4	7.5	7.7
Entered Employment Rate (%)[g]			
Average	52.4	54.2	54.0
Adjusted Average	11.3	13.5	13.3
Cost per Positive Termination ($)[h]			
Average	2,392	2,348	2,351
Adjusted Average	-1,474	-1,513	-1,510
Sample Size	16	213	229

SOURCE: JTPA Annual Status Report (JASR) for program year 1986.

NOTES: State performance standards for individual SDAs are set by governors and are intended to reflect local labor market conditions and characteristics of persons served.

Due to missing data, the sample size for individual performance measures varies from 15 to 16 for participating SDAs and from 209 to 213 for non-participating SDAs.

An F-test was applied to differences between participating and non-participating SDAs. Statistical significance levels are indicated as: * = 10 percent; ** = 5 percent; and *** = 1 percent.

(continued)

TABLE 5.5 (continued)

[a] The percent of all adult terminees who entered employment.

[b] Adjusted adult entered employment rate is the SDA's actual entered employment rate minus its performance standard. Other adjusted measures of performance are calculated similarly.

[c] The percent of all adult welfare recipient terminees who entered employment.

[d] Average hourly wage of adults who entered employment at termination.

[e] Total expenditures for adults divided by the number of adults who entered employment.

[f] The percent of all youth terminees who had a positive termination: either entered employment or met one of the employability enhancement definitions.

[g] The percent of all youth terminees who entered employment.

[h] Total expenditures for youth divided by the number of youth who had a positive termination. (See footnote f.)

place in program year 1986, it lists the average performance of participating and non-participating SDAs and the average difference between actual SDA performance and the SDA's performance standard for that measure. For example, the top entry shows that the participating SDAs averaged a 78 percent adult entered employment rate, as compared to a 73 percent average rate for non-participating SDAs. The second entry shows that participating SDAs on average exceeded their adult entered employment rate standard by 14 percentage points, as compared to 10 percentage points for non-participating SDAs. Several conclusions can be drawn from Table 5.5:

- **Adult performance measures:** Participating SDAs, on average, showed higher measured performance than did non-participating SDAs on two measures (entered employment rate and welfare recipient entered employment rate), while on the other two measures (wage at placement and cost per entered employment), the two groups of SDAs were similar.

- **Youth performance measures:** Participating SDAs, on average, showed higher measured performance on the positive termination rate than did non-participating SDAs. The performance of the two groups of SDAs on the remaining two measures was generally similar.

A further statistical analysis suggests ways in which these differences in characteristics might have affected the probability an SDA would agree to participate. The model of the decision process being estimated assumes that the probability an SDA contacted about the study would agree to participate was a function of the variables listed in Tables 5.4 and 5.5.[11] The statistical analysis (reported in Appendix Table C.3) finds, first, that there does seem to be a pattern of overall differences in observed characteristics between SDAs agreeing to participate and those not agreeing to participate.[12] Second, two variables seem to be important explanatory variables in an SDA's decision on participation:

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[11] The detailed results of the analysis are presented in Appendix Table C.3. The model used ordinary least squares regression techniques with an SDA's decision on whether or not to participate as the dependent variable and the SDA characteristics in Tables 5.4 and 5.5 as the independent variables. This technique was used to allow for a straightforward calculation of the F test for the regression. A model using logit techniques, not reported here, finds similar relations between the independent variables and the participation decision.

[12] More precisely, the "p value" of the F statistic indicates that there is only a 21 percent probability of obtaining the coefficient estimates reported in that table if the true chance of an SDA agreeing to participate did not vary with any of the measured characteristics included in the estimated model. The closer the "p value" is to one, the less of a difference there is in the average characteristics of participating and non-participating SDAs.

- **Region:** Location in the Midwest increased the probability of participation. This could have been a measure of the number of agencies involved in the operation of the SDA's program, since Midwestern SDAs tend to be more centralized than those in other regions of the country. The fewer agencies involved, the less controversy and delay in arriving at a decision to participate.

- **Labor market conditions:** A recent drop in the unemployment rate decreased the probability an SDA would agree to participate. This was closely linked to recruitment difficulties in the SDA.

The coefficients estimated for remaining factors included in the model were not statistically significant under the usual statistical tests, but most had the expected sign.[13]

This analysis suggests some tentative lessons for recruiting sites in future studies where participation is voluntary. First, many factors that might have affected an SDA's decision do not seem to have been strong influences; many variables in the model did not have statistically significant coefficients. Second, the number of organizations involved in making the decision about participating is important: The larger the number that must agree, the less likely is participation. This means that to get sites with a diversity of organizational structure, researchers must be prepared to devote more time and resources to discussing the study with sites in which many organizations are involved in program operations. Third, recent changes in the local environment – such as changes in the unemployment rate – that will affect the flow of clients into a program can be important, since the local agency may not have had time to adjust program offerings or client recruiting techniques to the new circumstances. This means that to achieve diversity on this characteristic – in this example, a mix of SDAs that have and have not had a recent change in the unemployment rate – researchers may have to provide some sites with technical assistance on client recruiting.

B. Other Factors Possibly Affecting an SDA's Decision on Participation

Based on its contacts with SDAs, the research team believed that two other factors were important in some SDAs' decision to participate. These were not included in the previous discussion because they were somewhat subjective and difficult to measure. One was a willingness by senior SDA staff to undertake innovative or risky projects, possibly because the SDA's administration was stable and the staff had solid political support in the community. The second was a site's desire to assure inclusion in the study of its type of SDA because the study's findings would affect national policy. One rural SDA in a rarely studied part of the country cited this as a factor in its decision to participate.

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[13] When the model was estimated using logit techniques, the number of Title IIA terminees also affected the probability of agreeing to participate. Small SDAs were more likely to agree to participate. This might also have been measuring the level of controversy surrounding crucial decisions in the SDA.

II. A Comparison of SDAs in the Study to the National JTPA System

The SDAs in the study were recruited from among SDAs in the forty-eight contiguous states with at least 500 or more persons terminated from their program in program year 1984, the last program year for which data were available when SDA selection began.[14] This section discusses how the study sites compare to this pool of potential SDAs based on data for program year 1986.

Table 5.6 presents data on SDAs in the study and on all SDAs in the pool from which these participating SDAs were recruited.[15] The data show that the two groups of programs are very similar. As in Table 5.4, these data are organized into four categories:

- **Local setting:** SDAs located in the Midwest are overrepresented in the study, while those in the South are underrepresented; but the proportions from the Northeast and West are very similar to those in the pool of potential SDAs. Labor market conditions in participating SDAs were similar to those in the pool of potential SDAs, but participating SDAs tend to be more densely populated, though the difference is not statistically significant.[16] While the participating SDAs do not include a large metropolitan area, they do include inner city sections of the New York (Jersey City) and San Francisco (City of Oakland) regions.

- **Size of program:** Participating SDAs on average served fewer people under Title IIA than did the pool of potential SDAs, though the difference was not statistically significant.

- **Characteristics of people served:** The average percentages of terminees

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[14] This process is also described in Chapter 4 and in Abt Associates, ICF/NORC, and Manpower Demonstration Research Corporation, 1986.

[15] Appendix Table C.4 shows more detailed unweighted comparisons of participating SDAs and the pool of potential SDAs for the study, and Appendix Table C.5 shows similar comparisons with SDAs weighted by the number of Title IIA terminees in program year 1986.

[16] The higher population density for participating SDAs is because three SDAs in the study (Jersey City, New Jersey; Providence/Cranston, Rhode Island; and Oakland, California) have quite high population densities.

TABLE 5.6

SELECTED CHARACTERISTICS OF PARTICIPATING SDAs AND THE POOL OF POTENTIAL SDAs FOR THE STUDY

Characteristic	Participating SDAs	Non-Participating SDAs	Pool of Potential SDAs
LOCAL SETTING			
Region (%)			
Northeast	12.5	17.2	17.1
South	25.0	36.5	36.1
Midwest	43.8	29.3	29.8
West	18.8	17.0	17.1
Average SDA Unemployment Rate (% in program year 1986)	7.8	8.0	8.0
Average Change in SDA Unemployment Rate from 1985 to 1986 (percentage points)	0.1	-0.1	-0.1
Average Population Density (persons per square mile)	1,245	772	787
SIZE OF PROGRAM IN PROGRAM YEAR 1986			
Average Terminees from Title IIA	957	1,561	1,542
CHARACTERISTICS OF PEOPLE SERVED UNDER TITLE IIA IN PROGRAM YEAR 1986			
Average Percent of Terminees Who Are White	59.8	59.9	59.9
Average Percent of Terminees Who Are High School Dropouts	25.5	24.7	24.8
Average Percent of Terminees Who Are Welfare Recipients	26.9	28.8	28.8
LENGTH OF PROGRAM SERVICES UNDER TITLE IIA IN PROGRAM YEAR 1986			
Average Weeks of Enrollment for Adults	18.3	18.8	18.8*
Average Weeks of Enrollment for Youth	19.9	19.4	19.4
Sample Size	16	488	504

(continued)

TABLE 5.6 (continued)

SOURCE: JTPA Annual Status Report (JASR) for program year 1986.

NOTES: Due to missing data, the sample size for individual SDA characteristics varies from 15 to 16 for participating SDAs and from 487 to 504 for the pool of potential SDAs.

An F-test was applied to differences between participating SDAs and the pool of potential SDAs (not including those that participated in the study).

None of the differences in individual characteristics are statistically significant except for regional distribution, for which statistics could not be calculated.

who were white, high school dropouts, and welfare recipients in the two groups of SDAs were virtually identical.

- **Length of services:** The two groups of SDAs enrolled adults and youths for about equal average lengths of JTPA participation.

Table 5.7 presents information on performance measures for both groups showing that:

- **Adult performance measures:** Participating SDAs had higher entered employment rates (overall and for welfare recipients), but the two groups were very similar on other adult performance measures.

- **Youth performance measures:** Participating SDAs had a higher positive termination rate than did other SDAs, but the two remaining youth measures were quite close.

At this time, it is not possible to report how these differences in the two groups of SDAs might affect the impacts in the study sites. If the JTPA performance standards were correlated with program impacts, the better-than-average performance of the study SDAs on three of the seven measures would suggest that these SDAs would also have better-than-average program impacts. However, there is much uncertainty about the relationship between the existing JTPA performance standards and program impacts. Research in other related contexts (employment programs for AFDC applicants and recipients) found an inverse relationship between program performance on outcome measures and program impacts, and similar concerns have been raised about JTPA.[17] Until the impact analysis in this study is completed and comparisons can be made between program impacts and measured performance on the existing performance standards system, the issue remains an open one.

A further statistical analysis, reported in Appendix Table C.6, lessens these concerns somewhat. It considered the extent to which the measured characteristics discussed above affected the probability that an SDA in the pool of potential SDAs would become a participating SDA.[18] This analysis found a "p value" of the F statistic of .4469, indicating a 45 percent probability of obtaining the coefficient estimates reported in that table if the true chance of an SDA agreeing to participate did not vary with any of the measured characteristics included in the estimated model. In this estimated model, only the variables for the West and

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[17] See Friedlander, 1988, and Job Training Partnership Act (JTPA) Advisory Committee, 1989.

[18] The statistical model estimated in this analysis is the same as that reported above for participating versus non-participating SDAs.

TABLE 5.7

SELECTED PERFORMANCE MEASURES OF PARTICIPATING SDAs AND THE POOL OF POTENTIAL SDAs FOR THE STUDY

Measure	Participating SDAs	Non-Participating SDAs	Pool of Potential SDAs
ADULTS			
Entered Employment Rate (%)[a]			
Average	77.7	72.4	72.5**
Adjusted[b] Average	14.3	10.5	10.6*
Welfare Entered Employment Rate (%)[c]			
Average	71.0	63.7	63.9**
Adjusted Average	18.8	11.9	12.1**
Wage at Placement ($)[d]			
Average	5.04	5.06	5.06
Adjusted Average	0.36	0.41	0.40
Cost per Entered Employment ($)[e]			
Average	2,838	2,932	2,929
Adjusted Average	-1,595	-1,511	-1,514
YOUTH			
Positive Termination Rate (%)[f]			
Average	85.1	81.3	81.4*
Adjusted Average	10.4	6.9	7.0
Entered Employment Rate (%)[g]			
Average	52.4	52.4	52.4
Adjusted Average	11.3	12.2	12.2
Cost per Positive Termination ($)[h]			
Average	2,392	2,382	2,382
Adjusted Average	-1,474	-1,448	-1,449
Sample Size	16	488	504

SOURCE: JTPA Annual Status Report (JASR) for program year 1986.

NOTES: State performance standards for individual SDAs are set by governors and are intended to reflect local labor market conditions and characteristics of persons served.

Due to missing data, the sample size for individual performance measures varies from 15 to 16 for participating SDAs and from 487 to 504 for the pool of potential SDAs.

An F-test was applied to differences between participating SDAs and the pool of potential SDAs (not including those that participated in the study). Statistical significance levels are indicated as: * = 10 percent; ** = 5 percent; and *** = 1 percent.

(continued)

TABLE 5.7 (continued)

[a] The percent of all adult terminees who entered employment.

[b] Adjusted adult entered employment rate is the SDA's actual adult entered employment rate minus its performance standard. Other adjusted measures of performance are calculated similarly.

[c] The percent of all adult welfare recipient terminees who entered employment.

[d] Average hourly wage of adults who entered employment at termination.

[e] Total expenditures for adults divided by the number of adults who entered employment.

[f] The percent of all youth terminees who had a positive termination: either entered employment or met one of the employability enhancement definitions.

[g] The percent of all youth terminees who entered employment.

[h] Total expenditures for youth divided by the number of youth who had a positive termination. (See footnote f.)

Midwest were statistically significant.

In summary, while the SDAs in the study are not strictly representative of the pool of potential SDAs, they are similar on many dimensions and clearly exemplify the diversity of the JTPA system. Within the study SDAs, there is variety in participant characteristics, local labor market conditions, and measured performance. There is also variety in administrative structure and program services, as discussed in more detail in Appendix B.[19] As a result, the impact estimates will include findings for a range of nationally funded employment and training programs. By subdividing the sample appropriately, it will be possible to examine how impact findings vary by type of activity, type of participant, and type of local environment (rural versus urban, among the regions, unemployment level, etc.).[20]

III. The Sample Size for the National JTPA Study

The SDAs participating in the study produced a total sample of 20,606, as shown in Table 5.8. This sample is more than twice as large as the sample in any previous random assignment field study of employment and training programs except for the evaluation of the Demonstration of State Work/Welfare Initiatives.[21] The characteristics of the sample members are more varied than in previous random assignment studies, several of which focused on a more narrowly defined target group such as welfare recipients or dislocated workers.

The sample includes large numbers of adults and out-of-school youth in all treatment groups. Percentages of adults and out-of-school youth in the sample are similar to those for JTPA terminees nationally.[22] As is the case nationally for JTPA, a small proportion of minority out-of-school youth were recommended for OJT, but otherwise the sample sizes for white and minority out-of-school youth are over 850 in each treatment category.

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[19] Appendix B provides a profile of each SDA in the study, including information on its administrative structure and program service emphasis.

[20] Future analysis will compare the background characteristics and post-program earnings of those randomly assigned to the treatment group with a nationally representative sample of JTPA adult and out-of-school participants served during the period of random assignment. The comparison sample will be drawn from the Job Training Quarterly Survey (JTQS). Information on post-program earnings for the nationally representative comparison sample and for the experimental sample will be obtained from government administrative records, allowing a comparison of program outcomes using identical data.

[21] See the discussion of other projects in Chapter 1 and the summary in Table 1.2.

[22] Based on data for program year 1987 from JTQS. It will not be possible to compare service receipt for the study sample and JTPA terminees nationally until later in the post-random assignment follow-up period, when information on program participation is analyzed.

TABLE 5.8

FINAL SAMPLE, BY TARGET GROUP AND TREATMENT CATEGORY

	Treatment Category			
Target Group	OJT	CT-OS	Other Services	Total
Adult Males	3,190	1,592	2,078	6,860
Adult Females	2,672	3,417	1,980	8,069
Out-of-School Youth	1,571	2,097	2,009	5,677
White	1,027	981	873	2,881
Minority	544	1,116	1,136	2,796
Total	7,433	7,106	6,067	20,606

NOTE: Sample includes 1,364 persons who were randomly assigned to the treatment or control group at a ratio of 3:1 or 6:1.

Despite the large size of the final sample, it is 9,394 people below the original sample ceiling of 30,000 and 7,817 below the original target amount for the participating SDAs, as shown in Table 5.9. In most of the SDAs, the sample was greater than or near the target number. However, in three participating SDAs with large target samples, serious problems arose that led to major shortfalls; a fourth SDA (Fresno County, California) initially agreed to participate and then withdrew from the study. The problems in these large SDAs illustrate common implementation challenges encountered in this type of research:

- **East Central Iowa:** During the period of random assignment, this SDA experienced a large drop in the amount of funding available for new enrollments, for reasons unrelated to the study.[23] In program year 1987 and previous years, the SDA relied on a surplus of funds carried over from past years and on large incentive awards to support a level of new enrollees that could not otherwise have been sustained. These surpluses were finally used up in program year 1987, and incentive awards declined.[24] This experience illustrates the difficulty of estimating sample sizes because of the need for accurate projections of new enrollments, not just total participation levels.

- **Heartland, Florida:** Client recruitment problems increased in severity as the unemployment rate dropped, soon after random assignment began. Despite extensive technical assistance on client recruitment and retention, the SDA could not adopt new procedures quickly enough to avoid underenrollment problems, and it decided to end random assignment long before the target sample was reached. This illustrates the complete barrier posed to random assignment by serious client recruiting problems.

- **Springfield, Missouri:** In this SDA, implementation of study procedures created a burden on staff and the program. Over time, this diverted attention from other program responsibilities, including growing problems of recruitment in some areas of the SDA. Staff's anxiety about informing applicants of the results of random assignment during individual interviews contributed to the burden and led the SDA to request a shortening of the period of random assignment.[25] This illustrates the importance of understanding the emotional implications of various study procedures for the staff involved.

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[23] Only new applicants to the program were subject to random assignment. Individuals already enrolled in the program when the study started were not randomly assigned unless they left the program and later sought to enroll again.

[24] The severity of the drop in new enrollees was increased by the reluctance of SDA staff to shift their service recommendations to lower-cost, shorter-term services such as job search assistance.

[25] The research team encouraged SDA and service provider staff to inform members of the control group of their status by phone or through a letter to lessen this stress.

TABLE 5.9

RESEARCH SAMPLE FOR THE NATIONAL JTPA STUDY, BY SDA

SDA	Target Sample	Actual Sample	Difference
Capital Area, MS (Jackson)	1,220	1,478	+258
Concentrated Employment Program, MT (Butte)	825	683	-142
Coosa Valley, GA (Rome)	1,800	1,840[a]	+40
Corpus Christi/Nueces County, TX	1,500	1,609[a]	+109
Crawford/Hancock/Marion/Wyandot Counties, OH	1,150	1,154	+4
East Central Iowa (Cedar Rapids)	2,963	498	-2,465
Greater Omaha, NE	1,600	1,362	-238
Heartland, FL (Lakeland)	4,850	597	-4,253
Jersey City, NJ	1,600	1,686[a]	+86
Larimer County, CO (Fort Collins)	1,200	1,027	-173
Macon/De Witt Counties, IL (Decatur)	750	471	-279
Northeast, IN (Fort Wayne)	3,600	3,608	+8
Northwest, MN (Crookston and Thief River Falls)	550	560	+10
Oakland, CA	1,065	1,072[a]	+7
Providence/Cranston, RI	1,750	1,759[a]	+9
Springfield, MO	2,000	1,202	-798
Total	28,423	20,606	-7,817

NOTE: [a] Some persons at this site were randomly assigned to the treatment or control group at a ratio higher than 2:1.

- **Fresno County, California:** Service provider opposition to the study, present during the early negotiations about the SDA's participation, reappeared after random assignment began and eventually forced the SDA to reverse its decision and withdraw from the study.[26] Among the crucial concerns were persistent recruiting problems, leading service providers to fall short of enrollment goals, and negative press coverage of the project, which focused on individual hardship cases. This illustrates the risk of including sites in a random assignment study when major groups in the community remain opposed to the project.

Setbacks notwithstanding, the National JTPA Study – because of its large sample size and the diversity of its sites – presents a unique opportunity to study the impacts of employment and training programs. While the sites are not a random sample of all SDAs, they are broadly representative of the variety of the JTPA system. Thus, much can potentially be learned from the impact results in these study SDAs about how JTPA operates in a variety of different settings and for different types of clients.

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[26] More than 700 persons had already been randomly assigned when the SDA made its final decision to withdraw from the study. Because the SDA decided it could no longer comply with the rule against serving controls in JTPA for 18 months after random assignment, none of the sample was usable in the analysis.

CHAPTER 6

LESSONS FOR FUTURE RESEARCH FROM THE IMPLEMENTATION OF THE NATIONAL JTPA STUDY

Implementation of the National JTPA Study is moving random assignment field research to new levels. Its sample of more than 20,000 individuals in 16 sites is the largest experimental sample ever assembled in an ongoing, voluntary employment and training program. The estimation of treatment-specific impacts requires an unusually complex research design. In the process of implementing the study, researchers have confronted familiar issues in more intricate forms and new issues not seen in past research.

The research design implemented in the sites will achieve most of the study's original goals. It will provide impact estimates for the overall JTPA program in participating sites and estimates for specific parts of their program. These estimates will be made with relatively minor changes in the program. However, some issues (such as recruiting a representative sample of sites) proved intractable, requiring modification of the study's original goals and representing basic tradeoffs in doing this type of research. Others have stimulated the development of promising new approaches.

While the National JTPA Study is a one-time effort – designed to estimate the program's impacts, improve methods of monitoring and studying the system, and provide a comprehensive data base for further research on JTPA – the early experience of implementing the study can provide valuable lessons for other research efforts as well. The Department of Labor itself may thus benefit more broadly. Having acknowledged the considerable difficulties of nonexperimental research and, in the JTPA study, having made a commitment to greater reliance on experimental methods, the department continues to seek better ways to study the ongoing programs under its direction. Furthermore, other agencies – at the federal, state, and local levels – face similar problems in evaluating programs and can learn from the JTPA experience.[1]

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[1] Programs presenting some comparable issues include the Department of Agriculture's ongoing evaluation of the Food Stamp Employment and Training Program (Abt and Westat, 1988; Puma, 1988) and the Department of Health and Human Services' evaluation of the Job Opportunities and Basic Skills Training (JOBS) Program under the Family Support Act of 1988 (U.S. Department of Health and Human Services, 1989).

This chapter provides an overview of the implementation lessons to this point by outlining the unique features that make the study challenging and by presenting several general principles that have emerged. The chapter then offers more specific lessons concerning the implementation of random assignment in a study of an ongoing program such as JTPA. Many of the issues it discusses would also arise in nonexperimental research, although often in a somewhat different form.

I. An Overview of the Early Lessons from This Study

The National JTPA Study breaks new ground in several ways, and its "newness" is one of the reasons implementation is so challenging. As an overall assessment of ongoing local JTPA programs, it moves experimental research squarely into ongoing program operations with few special inducements for local sites to participate. Its implementation requires SDAs to do things outside their normal experience. They are asked to submit their entire program to a rigorous impact study, to exclude a portion of the volunteers applying for their program from all JTPA activities for an extended period, and to comply with procedures for selecting persons to enroll that could affect their ability to meet performance standards. While similar types of research had been conducted in welfare employment and training programs and smaller demonstrations within JTPA, at the time the project began the research team could not point to directly comparable successes in past research to assuage site concerns.

JTPA's characteristics as an employment and training system also pose special challenges for random assignment research:

- **JTPA authorizes and funds a broad list of activities, rather than a single program model.** Hence the diversity of local programs is great. This would raise issues for any impact analysis, but it presents special problems in experimental research because a single random assignment design (and accompanying set of procedures) must be integrated into the normal operations of a great variety of local programs.

- **JTPA is a voluntary program,** and since local SDAs often face difficulties recruiting clients, creation of a no-JTPA services control group poses serious problems.

- **Important JTPA program decisions are made by many individuals,** representing the diverse perspectives of private industry representatives, service providers, professional JTPA program administrators, and local elected officials. This includes the decision about whether to participate in the study and makes the site selection process more complicated than in other experimental studies of program impacts.

- **JTPA already has an extensive performance assessment system**, which is used to identify agencies in need of state supervision and to dispense incentive funds to reward agencies performing well. Thus, many SDAs are concerned about how participating in the study might affect their performance.

- **JTPA is funded almost entirely by non-local sources**, giving local officials less financial incentive to conduct a rigorous study of the program's benefits and costs than might be the case if they funded the program themselves.

The study's multiple – and potentially conflicting – research goals represent an additional new challenge for experimental research. Random assignment, properly implemented, can assure the internal validity of impact estimates for the sites in the study. But – as recognized from the beginning of the project – in a system like JTPA, the complex research design of the study, voluntary participation of sites, and lack of special program money for sites participating make it difficult or impossible to randomly select sites for this research.

The desire for impact estimates both for the program as a whole and for individual types of treatments in normal, undisrupted local JTPA programs also posed a tradeoff, in this case in the choice of the point at which random assignment would take place. In JTPA, some services (generally job search assistance) are often provided before staff develop a formal service plan and recommend services. As a result, no single point of random assignment would allow an estimate of the impact of all program services (including these preliminary ones) *and* the impact of specific types of services recommended in the service plan. Furthermore, some approaches that would facilitate the implementation of random assignment – for example, greater outreach in recruitment – would represent changes in the program and thus be inconsistent with the goal of studying it as it normally operates. Balancing these research goals within a single study led to a complicated research design requiring extensive cooperation from participating sites.

The early experience implementing the National JTPA Study suggests five general principles for future research:

1. **Researchers must identify tradeoffs in research goals quickly and work with agencies sponsoring the study to set priorities for developing the research design.**

The department and the research team were aware from the beginning of the National JTPA Study that some of its multiple objectives could be in conflict. The department consciously adopted this ambitious plan, which extended random assignment field research well beyond its past uses. Much effort went into trying to implement what turned out to be an over-constrained plan.

By the time the research team and the department identified the objectives to emphasize, time and momentum had been lost. Many SDAs that would have been good candidates for participation under the final research plan had already rejected the offer, and members of the research team were never able to reverse an unfavorable decision.

In the case of the National JTPA Study, when the department clarified its priorities for the study, it emphasized the goal of internally valid estimates of net impacts for the sites in the study (both for their programs as a whole and for specific types of treatments) over the goals of statistically representative sites and unchanged program operations. These choices were needed to develop a detailed research plan.

In other studies, the choice of priorities might be different: An agency might choose to scale back the impact questions in order to reduce the burden on sites and to increase the chances of enrolling representative sites. In any case, early identification of conflicting goals and resolution of priorities will greatly aid the research effort.

2. Mandating participation of sites in a random assignment field study is not a simple solution to the difficulty of recruiting a representative sample of programs.

In some past nonexperimental studies of the impacts of employment and training programs, the department required a random sample of local agencies to participate. Attempting this in a random assignment field study, especially one of a voluntary program, would open a host of new issues that would be difficult to solve.

In experimental impact research, site staff are responsible for the most difficult part of the effort. They must clearly and positively explain to applicants the ground rules for entry into the program, follow random assignment procedures, comply with the results of random assignment in providing services to those in the experimental group, and assure that members of the control group are not served in the program. If these procedures are not followed properly, the entire research effort fails.

There are two serious obstacles to mandating participation in random assignment field studies. First, many types of cooperation necessary for the project are difficult to specify in detail and hard to monitor. For example, the tone with which intake workers explain the ground rules can affect the response of applicants and the resulting burden and stress on staff. In this situation, defining what constitutes compliance with the study procedures is hard, and determining if the required staff behavior is occurring requires expensive, on-site monitoring.

Second, a federal agency has limited leverage over local programs in a decentralized grant-in-aid system such as JTPA. States are in much closer contact with local programs than is the federal agency, and states play the central regulatory role. Without explicit statutory language, a federal agency may not have the authority to mandate participation in a random assignment study. Unlike nonexperimental research, random assignment field studies require changes in enrollment and service selection decisions ordinarily left up to the local programs. Furthermore, even if participation could be required as a condition of the grant, the only sanction for non-cooperation would be a cut in federal funding, a rarely used strategy.

In the final analysis, the research team must depend on a site's commitment to complying with the study rules. In the JTPA study, the department and research team clearly explained the procedures and likely difficulties to SDAs considering participating; those that chose to enter the study did so with a full understanding of their responsibilities and a real commitment to the undertaking. This lessened the need to commit large amounts of resources to monitoring the day-to-day implementation of study procedures.

3. Sites must be provided with specific benefits from participating that exceed the cost of the effort involved in implementing the study.

Research on program impacts is, in economic terms, a "public good." The major benefits, in terms of increased knowledge about program impacts at the subgroup and treatment group level, will be primarily based on the entire sample and thus be relevant to all local programs in the system. Something else – specific benefits to participating sites – must be offered to induce participation.

In earlier national demonstrations such as Supported Work, participation in the study brought substantial special program funding, allowing an increase in overall service levels. In recent years, most studies have not provided special program funding for agencies, so other types of compensation and benefits have been needed. In the case of studies of welfare programs, states have a substantial financial stake in research findings since they partly fund public assistance benefits. The research findings of positive impacts have led states to expand welfare employment programs and achieve substantial savings in benefits. In this setting, states have been willing to contribute to the costs of studies, but in general it has been necessary to compensate agencies for the extra administrative effort involved in participating.

These developments have increased the need for nonfinancial incentives to participate. The JTPA experience offers a variety of examples of how this can be done without providing funds beyond those needed to cover the added administrative effort arising from the study. Participating sites will receive special reports or briefings on their clients' characteristics and the impacts of their program, though sample size limitations may prevent precise subgroup or treatment-specific impact findings in smaller sites. When the findings become available, they will have an opportunity to discuss them with the research staff. In addition, they receive information on program operations (such as participation rates); technical assistance on study methods, client recruitment, and data collection and processing; and a chance to participate in the national debate on employment and training policy. These types of benefits can be offered in many studies.

Without a doubt, one of the most difficult problems faced in the National JTPA Study has been finding a way to provide benefits to site line staff who implement the study on a daily basis. Site managers and officials – seeking better information to plan their program and conscious of resource constraints that prevent service to all eligibles – can see the benefits of the study clearly. But much of the work of the research falls on individuals who may have a very different perspective: the SDA and service provider line staff, whose mission is service provision and who must turn away people they feel they could help.

As a partial answer, the research team arranged special meetings (which a representative of the Department of Labor typically attended) to make clear to the line staff that all concerned were aware of their central role in the study and appreciative of their cooperation and efforts.

4. In a performance-driven system, it is especially important for the research team to have an in-depth understanding of program procedures in order to anticipate problems and to develop responses that preserve the core of the study.

When program operators have financial and other incentives to achieve a high percent of favorable post-program outcomes or to enroll certain numbers or types of clients, many of the daily procedures of the administering agency and its service providers change in response. Recruiting, intake, and enrollment practices; service offerings; and contractual relations with service providers all are likely to reflect these incentives. Superimposing random assignment procedures on these existing arrangements will inevitably be problematic.

The research team should include persons familiar with the operational practices and incentives of the system. The National JTPA Study team included experienced JTPA administrators, persons knowledgeable about JTPA data systems, and experts in evaluation methods. This combination increases the chances that the original research plan will avoid many operational problems and helps the team develop alternatives that address the needs of site staff without sacrificing central research objectives. It also greatly increases the credibility of the research effort with site staff, who do not have to explain their concerns to researchers who may appear unaware or unconcerned about them.

5. **Implementing a complex random assignment research design in an ongoing program providing a variety of services does inevitably change its operation in some ways. Researchers should identify the key aspects of a program to leave unchanged and seek to develop a research plan that retains them.**

The most likely difference arising from a random assignment field study of program impacts – especially in a voluntary program – is a change in the mix of clients served. Expanded recruitment efforts, needed to generate the control group, draw in additional applicants who are not identical to the people previously served. A second likely change is that the treatment categories may somewhat restrict program staff's flexibility to change service recommendations. It is also possible that the added administrative tasks involved in the study, if not funded to support the staff involved, could force programs to divert staff from what they would otherwise do, such as counseling, case management, or job development.

In the JTPA study, the department and research team sought to leave the services provided by participating SDAs as unchanged as possible and to assure that SDAs and service providers randomly assigned only applicants they found eligible and appropriate for JTPA. However, the department and research team also recognized the need for expanded outreach and the changes this could cause in the client mix. Technical assistance was provided to aid sites in recruiting more applicants, and in some SDAs staff – possibly because of this expanded outreach – ended up serving a somewhat less job-ready group of clients during random assignment than they usually served.[2] The treatment categories used in the JTPA study were defined in the least restrictive way possible while still allowing estimates of separate impacts for persons recommended for OJT and classroom training. Finally, the department sought to compensate SDAs for all the administrative effort involved in the study to avoid diverting staff away from normal service delivery.

In other studies of ongoing programs, researchers might make different choices about the aspects of the program to protect from change. But to achieve the overall goals of the research – to study the program, insofar as possible, as it normally operates – it is important to recognize the likelihood of change, identify changes that would cause the most serious analytical problems, and design the analysis plan to avoid them.

II. Lessons on Specific Tasks in the Research

A. Lessons on Site Selection, Developing Study Procedures, and Reaching an Agreement To Participate

The experience of the National JTPA Study suggests six lessons for picking sites, developing study procedures, and securing sites' agreement to participate:

1. Statistical representativeness of sites in random assignment field research such as the National JTPA Study is an elusive goal that presents clear tradeoffs with other research objectives.

The experience of the National JTPA Study illustrates the difficulty of reaching agreement with randomly selected sites, especially when they operate voluntary programs and are experiencing recruitment problems. While the percentage of sites agreeing to participate did increase over time as the research design was modified, the rejection rate remained over 90 percent because of operational and other concerns of the sites and the adverse publicity surrounding the original research design.

Four options could increase the chances of including a statistically representative sample of sites in studies like JTPA, but each presents its own advantages and disadvantages:

a. Mandate participation. In past nonexperimental research and program reviews, federal agencies have required local programs to participate. However, as noted above, subtle types of cooperation are needed on a daily basis and compliance with study procedures is impossible to mandate or monitor continuously. Furthermore, some SDAs, because of severe recruitment problems or up-front services, cannot implement the type of random assignment model needed to answer the various impact questions without major changes in procedures. Thus, it is possible that mandated participation could compromise the internal validity of the impact estimates.

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[2] It is difficult to determine the extent to which the study caused this, since the unemployment rate in most sites dropped sharply during the study. Applicants for employment and training programs in strong labor markets typically are less job-ready than those in weaker labor markets.

b. Select many SDAs and greatly reduce the ratio of controls to experimentals. One of the most troubling aspects of the study from the SDA perspective is the obligation to deny services to controls. Dropping the control ratio greatly, possibly to only 10 percent or less, would increase the attractiveness of the research design to SDAs. However, the drop in the number of controls would eliminate the possibility of site-specific findings, one of the major benefits of participating.[3] To counteract this, the department would either have to mandate participation (increasing the need for close monitoring of sites)[4] or increase site payments above the level of the administrative costs associated with participating in the study. Furthermore, overall research administrative costs would rise sharply with the increase in the number of sites: Many of the costs of implementing and monitoring random assignment are fixed costs per site that do not change greatly with the number of people randomly assigned. Manuals must be prepared that reflect local procedures; forms must be developed; staff must be trained; and procedures must be developed and implemented to monitor compliance with study rules. For similar reasons, survey costs will also increase with more sites. Finally, if the number of sites was substantially higher, it would be much more expensive to provide a detailed picture of each individual program. But without this, interpretation of impact estimates would be much harder because impact and program implementation research could not then be integrated.[5]

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[3] The precision of impact estimates for the entire sample is a function of the total sample size and the fraction of the sample assigned to the control group. Moving the fraction assigned to the control group away from one-half in either direction lessens the precision of estimates. For example, if the control fraction is reduced to one-fourth, the overall sample must be 1.333 times the size needed when controls constitute one-half the sample for impact estimates to retain the same level of precision (see Cave, 1987). The precision of the impact estimates for the overall sample could remain acceptable if the overall sample were very large and a small fraction were assigned to the control group. However, site-level impact estimates would be very imprecise.

[4] Monitoring costs would increase because participating sites were not volunteers.

[5] In many decentralized programs like JTPA, the available site-level data on program operations are very limited. In JTPA, for example, there is information on participant characteristics but very little on

(continued...)

c. Provide enhanced program funding (possibly after the study ends) to create a financial incentive to participate. If sufficient funds were available, local programs could be induced to participate by being offered the opportunity to increase local services. The obvious constraint here is budgetary. Supported Work, the first national random assignment field study of employment and training services, provided major support for program services, but the current budgetary situation does not allow for such spending. In addition, sites selected randomly for participation could recognize their "monopoly" status and negotiate for very high funding. Furthermore, if the funding were made available during the period of the research, that would change the program, undermining the goal of studying the program as it normally operates.

d. Simplify the research design to make participation less burdensome. Simple random assignment designs are much less difficult for sites to implement. Such designs provide only for early random assignment of a portion of program-eligibles or applicants to a control group.[6] Shifting to such a design could greatly increase the acceptance by sites. Such a change, however, would preclude answering the type of treatment-specific questions central to a project like the National JTPA Study because random assignment would occur before staff designate a type of service for each applicant.[7] Studies with early random assignment into the program or to a control group will leave unanswered many of the "inside the black box" questions that are the most important and policy-relevant in employment and training policy today.

In sum, experience suggests that when treatment-specific impact estimates are important for a program like JTPA, each of the preceding options has disadvantages, and the realistic goal in site selection is to enlist a group of localities that capture the diversity of the system on measurable characteristics. As sites are selected, a small number of key characteristics of sites that are thought to influence impacts should be monitored, and recruiting efforts should concentrate on sites that would provide the desired variety. Once impact results are available, researchers should examine whether there is consistency among the diverse sites (which

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[5](...continued)
the nature of program services. Thus, information on program structure has to be collected through interviews and document review at the local level.

[6] This type of model has been used in many past projects including the Work/Welfare Demonstration, the Food Stamp Employment and Training Program Study, JOBSTART, and Supported Work.

[7] This would prevent researchers from identifying a control group for types of activities and thus rule out experimental impact estimates for individual types of activities.

strengthens the case for generalizability) or similar results among sites found to be similar (which may suggest how to generalize the results).

2. Researchers must be prepared to address the very different interests and concerns of the many parties involved in local programs.

Chapter 2 describes the variety of agencies and individuals involved in local JTPA programs. JTPA is by no means unique in this regard. In times of serious budget constraints, few programs have the resources to provide all services in-house or even to control -- through contracts -- all aspects of service provision. Many programs entail collaboration among agencies.[8]

While the concerns of each party in a local program are to some extent unique, there are patterns in their interests. Program managers and boards of directors (the Private Industry Councils -- PICs -- in the case of JTPA) tend to be those most interested in information (such as estimates of program impacts) affecting decisions about resource allocation. They may also be quite concerned about the public image of the program. Agency managers and line staff are most concerned about the day-to-day administrative burden the study procedures may create and how those procedures will personally affect their clients. Service providers for the program who are operating under performance-based contracts are very concerned about study procedures they perceive as jeopardizing their ability to reach contract payment points.

3. Time is needed before the start of the study to learn about the details of the service system, to develop random assignment procedures, to sell the line staff and service providers on the benefits of the study, to train staff, and, possibly, to expand recruitment efforts to generate the needed number of applicants.

Though reaching general agreement with a site to participate is a milestone, much remains to be done before the study will progress smoothly. Obviously, researchers must develop study procedures that interfere no more than necessary with normal program operations. Less obviously, there are payoffs to briefing line staff (or their representatives) and other affected agencies about the study before a final agreement is reached and to giving them an opportunity to voice concerns and ask questions. Training staff in study procedures is another

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[8] In the work/welfare area, California's Greater Avenues for Independence (GAIN) program -- the nation's best-funded education, employment, and training program -- involves extensive cooperation among agencies. See Riccio et al., 1989, for a discussion. The JOBS title of the Family Support Act of 1988 envisions a similar kind of collaboration among service agencies.

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important step. Finally, in voluntary programs, recruiting practices cannot be changed immediately. Adequate time to make changes and begin to see a payoff can smooth implementation of random assignment.

4. Sites' concerns that a study may affect measured performance under existing assessment systems must be addressed, but a guarantee that sites' ratings will not change is neither practical nor – in many cases – appropriate.

Participation in a random assignment study may not affect measured performance at all. To the extent that random assignment leads agencies facing outcome-based standards to serve less job-ready applicants, measured performance may decline.[9] But if standards are adjusted to reflect client characteristics, as they are to some extent in JTPA, the agency's rating may be unaffected. Of course, many factors unrelated to the study could affect measured performance, and the agency should not be held harmless for its response to them. Changes in the local economy, in services provided, or in funding levels could have an effect. Finally, relaxing all performance standards (as a guarantee would do) would mean that the program is not being studied as it normally operates.

Sites considering participating in the National JTPA Study often wanted assurances that the incentive funds they received under the performance standards system would not be jeopardized by participation in the study. The department, research team, and most states that were approached about this felt that a guarantee of unchanged incentive funds was inappropriate. This meant that arriving at an agreement about proper adjustments to make if the study did affect measured performance was one of the most complicated aspects of the entire JTPA study.[10]

5. To gain sites' agreement to participate in a study like JTPA, funding to cover the administrative effort involved must compensate sites for all the costs of participation, including the costs of extra recruitment of applicants and of processing the applications of individuals who do not become a part of the research sample.

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[9] This can occur if the agency was unable to recruit a "surplus" of applicants with characteristics similar to those previously served. In this case, random assignment of a portion of all applicants to a control group would force the agency to "dig deeper" into the eligible population and enroll harder-to-serve clients.

[10] This issue was especially complex because of the desire to study JTPA as it normally operates. The issue also raised concerns about cross-program equity when – as is the case in JTPA – programs within a state compete for a fixed amount of incentive funds.

As discussed earlier in this chapter, when sites do not stand to benefit financially from the results of the research, it is usually necessary to compensate them for the costs of participation, which may include added recruitment and client intake. Many voluntary programs cannot rely solely on walk-in applicants and referrals; they must seek applicants through extensive outreach efforts. If the study requires them to increase their applications, these costs must be covered. Furthermore, in most organizations, some applicants do not proceed to the next step in the agency's intake process. To the extent that study procedures begin early in this process (before random assignment actually occurs), the study-related administrative effort will involve more people than the actual research sample. In the case of JTPA, study forms were filled out in some SDAs at initial contact with the program. As a result, many more people filled out the form and were told about the study than were actually randomly assigned. Formulas developed to compensate sites for administrative costs must recognize this.

6. **The formal agreement to participate must give sites the option to terminate the agreement, with appropriate notice.**

In the National JTPA Study, sites did not lightly enter the project; the challenges it presents are obvious to all. Those who sign the agreement to participate are consequently committed to the effort. However, unanticipated issues can arise, and forcing resistant sites to continue participating in a complex study raises many of the same issues raised by mandatory selection. When sites see that researchers are willing to assume an obligation to address issues that may arise, their anxiety about participating in an unfamiliar project declines. Giving sites the option to change their mind will lead more of them to say "yes" in the first place.

B. Lessons on Client Recruitment

1. **In a voluntary program operating under performance standards or enrollment goals, it is essential to address client recruitment problems and assure sufficient applications for the program. If this is not done, the study can face serious ethical and operational problems.**

The greatest ethical concern about random assignment is that it potentially can reduce the number of people served because of the creation of a control group. However, if applications for the program exceed available slots by an amount at least equal to the size of the control group – either through normal outreach or with special efforts during the study – the creation of a control group merely affects the choice of whom to serve. To take a hypothetical example, if the program has funds to serve 100 people and at least 150 apply, assigning one-third of the applicants to the control group does not reduce the total number served.

However, if a program has serious recruitment problems, creation of the control group may mean that the service provider will be asked to turn away people while program slots remain unfilled. To continue the hypothetical example, if fewer than 150 persons apply for the program, creation of a control group consisting of one-third of the applicants *would* reduce the number served to fewer than the 100 slots available. Furthermore, program operators with performance-based contracts would immediately feel the financial implications of under-enrollment and would request relief.

For these reasons, researchers must anticipate potential recruitment problems, address them early, and continue throughout the study to assure that there are enough applicants so that even with the creation of the control group sites are able to serve the maximum number for whom funds are available. As was done in the JTPA study, attention to this issue should begin as early as the site selection phase. Programs that have had recruitment problems in the past are poor candidates for a study unless a credible corrective action plan is put in place. While this may lessen the representativeness of the sites in the study, ignoring the problem can put an abrupt halt to the entire project. Technical assistance on client recruiting can play an invaluable role in easing the administration of the project.

2. Many recruitment problems are the result of discretionary administrative practices and can be addressed if planning time is available.

Most SDA and service provider staff are experts in employment and training services, not in marketing their "product." In JTPA, for example, many SDAs promote their program using methods far from "state-of-the-art" – emphasizing the features of their program (e.g., funding sources, eligibility rules, program services, etc.) rather than its benefits for potential clients (e.g., the improved life to which the program can lead). Further, most of those who express an interest in JTPA programs never participate; in many SDAs, only 25 percent of those contacting the SDA about the program ever enroll. Providing sites with technical assistance in client recruiting and retention can help address potential under-enrollment problems.[11]

In three situations, however, recruiting practices are quite hard to address. First, when the labor market is very strong and jobs are plentiful, agencies typically have a difficult time recruiting clients. Second, some agencies deliberately erect a time-consuming intake process with many hurdles to "screen clients for motivation." Whether these procedures accomplish their goal is debatable,[12] but some agencies resist changing them for fear of getting less motivated and capable applicants. Third, when recruitment is low because the service offerings do not match the needs of program-eligibles, only a major overhaul of the agency's service plan can solve the recruiting problems.

Technical assistance in client recruiting and retention can have an added benefit for the research: It can serve as one of the major inducements to participate in the study, a benefit with payoffs lasting long after the study is over.

C. Lessons on Developing Random Assignment Models

The National JTPA Study suggests three lessons on developing random assignment models to calculate net impact estimates for specific treatments and for the overall program:

1. The choice of the point of random assignment is likely to involve a balancing of research goals.

In an ongoing, voluntary program like JTPA, it is common for staff to provide some services (usually job search assistance) early in the intake process, before completing the service plan, which designates the major program service(s) recommended for the applicant.[13] If staff do provide services this early, there will be no point of random assignment that will both precede the delivery of any service and follow the creation of a service plan. Therefore, it is impossible, without changing the program (i.e., eliminating the up-front services), to estimate both the impact of all program services and the impact of specific types of services.

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[11] In the JTPA study, recruiting experts prepared several guides for staff and provided in-person training. See Kelly, 1987; Elsman, 1987.

[12] See Kelly, 1987.

[13] This is in keeping with the best recruiting and retention practices. Recruiting experts typically advise staff to emphasize the benefits of participating (and to provide services early) before clients must pay the "costs" of participating (in the form of paperwork, testing, and documenting their eligibility). See Kelly, 1987.

If the point of random assignment is placed early to capture all program services, it is impossible to estimate impacts for specific kinds of services. If it is placed after recommendation of a service plan, some program services are missed.

One option when estimating the impacts of specific services in a voluntary program is to give staff as much time as possible for assessment and recommendation of appropriate services by delaying random assignment until just before services are to begin. This delay also raises participation levels in the selected services because those chosen for the treatment group can quickly start their programs; the increased participation level, in turn, increases the statistical precision of the impact estimates. However, this choice puts a greater burden on the sites because they have to carry more individuals through their intake process to assessment. Furthermore, it increases the emotional burden on staff and clients, since there is more involvement with the eventual controls before they are informed of their status.

2. It can be difficult to define categories of treatments for staff to choose among before random assignment that are narrow enough to be meaningful but consistent with normal practices.

Most JTPA participants end up receiving only one of the more intensive services such as OJT or classroom training in occupational skills. The complication arises in random assignment field research because staff must choose a treatment category for each individual before random assignment occurs and service begins. In many programs, especially those that pride themselves on individualized service plans that respond to the needs of clients, flexibility is important. Staff value the option to adjust the service plan as client interests and needs change or as the original plan proves unsuccessful. An up-front, binding designation of a service plan, even within the confines of fairly broad categories of services, can impinge on normal practices. Furthermore, in some JTPA programs with few service providers, the service recommendations are as much as function of the currently available services as the needs of the individual client. If new options appear or old ones disappear, staff would normally change the service recommendation accordingly.

3. These problems can be addressed by defining treatment categories that are anchored on a primary service but also allow participation in other, less intensive services as well. In addition, staff can be offered the "safety

valve" of an unrestricted service category for a small portion of those randomly assigned.

The tension here is between a desire to estimate impacts for single activities, as was attempted in past nonexperimental studies of employment and training programs, or to examine more broadly defined categories of activities that reflect the reality of the JTPA assessment and service delivery system. In the JTPA study, with its goal of studying the program as it normally operates, the latter option was chosen.

In the case of the JTPA study, classroom training in occupational skills and OJT were obvious anchors for two treatment categories. Within each treatment category, clients designated for these services and randomly assigned to the treatment group were also eligible to receive other, less intensive services.[14] This greatly increased the ability of staff to follow normal practices by giving them more flexibility in choosing services for individuals.

This approach, however, carries with it a risk that is clearest for individuals recommended for the OJT activity category. In practice, when staff designate an activity category in experimental research, it means that they find the person appropriate for referral to that type of service, not that the person will necessarily receive it. OJTs are the most difficult type of activity to arrange because program staff must find an employer able to offer a type of training desired by the applicant, negotiate an agreement to pay the employer to provide the training, and convince the employer to "hire" the specific applicant; in many cases, each step is a challenge. Therefore, it is possible that a very high percent of those in the "OJT treatment group" will receive some JTPA services but that only 30 to 40 percent will actually be enrolled in an OJT.[15]

Studies that use broadly defined activity categories must take care to document the nature of the services received by participants in each activity category so that impact findings can be interpreted intelligently. When this is completed in the JTPA study, researchers will be able to judge the appropriateness of the decision made in defining the activity categories.

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[14] The only real restriction was that those designated for classroom training in occupational skills could not be given an OJT, and vice versa.

[15] In past experimental studies of OJT programs for welfare recipients, participation rates in OJTs were at this level.

D. Lessons About Denying Services to Controls

In a voluntary, ongoing program like JTPA, denial of services to the control group is probably the major barrier to sites' participating in the study.[16] Several approaches have proved useful in addressing this issue.

1. **The ethical, political, and operational issues concerning denial of services should be raised and addressed by research staff explicitly in early contacts with sites.**

Site staff appreciate frankness on this central issue. It is useful to emphasize the resource constraints the program faces and to clarify that the program is not an entitlement. Offering technical assistance on client recruiting can bolster the argument that the study will not lead to a decline in the total number served. And presenting the long-term benefits of the study as a justification for the short-term costs also helps.

2. **The nature of the exclusion of controls can make a difference in how sites react, and the research perspective permits some flexibility in defining it.**

The original JTPA study research design envisioned the type of control exclusion most difficult for sites to accept: a lengthy, system-wide exclusion with no referral to alternative services. This is ideal from a research perspective because it allows the clearest test of the net impacts of a program.

The research team and the Department of Labor adopted a number of modifications (listed below) that made the denial of services more palatable to sites. The first (shortening the period of exclusion) has the potential for lessening the difference in the level of services received by those in the treatment group and those in the control group. The second and third (excluding some persons from random assignment) mean that less than the full SDA program is included in the study. The fourth (changing the random assignment ratio) reduces the statistical precision of the impact estimates somewhat. When the follow-up surveys and subsequent analyses are completed, the research implications of these changes will be better understood. The changes included:

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[16] Sites were less concerned about this in many past studies of mandatory programs because they were not denying their services to people who had actively sought them out. There was less concern, too, in voluntary programs that were small, short-term, specially funded demonstrations set up specifically for research purposes.

a. Shortening the period of exclusion from 30 months to 18 months while continuing follow-up of the entire research sample for 30 months and offering controls a list of other services in the community. These changes lessened sites' concerns that controls would feel cut off by the program with nothing in the way of help or that the public would find the study unethical. Discussions with site staff indicated that most applicants for JTPA come to the program while unemployed and actively seeking work and that only a small percentage return in the future if they are not initially served. This meant that shortening the exclusion from 30 to 18 months could well have had little effect on the level of services after the 18-month exclusionary period ended. To lessen the chance of a high level of services after 18 months, sites were prohibited from actively recruiting controls after that period ended; only if control group members returned to the program on their own could they be served.

b. Excluding special types of applicants or types of activities from the study. The denial of services to certain types of applicants is especially troublesome for site staff because of their obvious need for assistance. When a class of applicants does not form a significant part of all participants, it is possible to exclude them from the study with little effect on the overall estimates of the program's impact. In the National JTPA Study, some sites were allowed to exclude from random assignment homeless individuals, severely handicapped individuals, and court referrals to JTPA who needed to secure training to be granted probation. The same purpose can be served by excluding from the study specific parts of the program targeted on such applicants.

c. Providing the sites with a limited number of exclusions from random assignment, which they may use as they wish. Not all troublesome cases can be anticipated in advance, so some flexibility is important. In the JTPA study, sites were allowed to exempt from random assignment approximately 1 to 2 percent of their target sample. These exemptions had to be used before random assignment occurred, not to reverse an individual's assignment to the control group. Otherwise the exemptions would undermine the random assignment process.

d. Reducing the percentage of applicants assigned to the control group. When the control group constitutes 50 percent of a given sample, statistical precision of impact estimates for that sample size is greatest. The JTPA study initially planned such a 1:1 random assignment ratio. However, site concerns led to a change to two treatment group members for each control, which led to a modest reduction in statistical precision.[17] Changes beyond the 2:1 ratio do reduce statistical precision much more, however.

In the JTPA study, it was occasionally necessary to temporarily reduce the size of the control group to below one-third of the sample to address site concerns about reaching enrollment goals for specific groups; this occurred at some point during random assignment in five of the 16 study sites. In some cases, to meet enrollment targets in their contracts, service providers needed to serve more people than would have been available with a 2:1 ratio. In other cases, SDAs needed to enroll more of a particular group, such as youth, to meet state-imposed enrollment targets. Sites were typically willing to return to the normal 2:1 ratio after the specific problem was solved. This proved effective in keeping sites in the study, raising the total sample for analysis.

E. Lessons on the Process of Random Assignment

Avoiding logistical problems with random assignment is important because smooth procedures lessen the burden on site staff and eliminate operational "excuses" for not conducting random assignment. Developing procedures to simplify the daily life of line staff can build goodwill, a necessary ingredient in implementing a complex study.

1. Staff must be assisted to explain the study and to assure the informed consent of all members of the sample.

Random assignment is unfamiliar to both staff and program applicants. It is important for the study that random assignment be explained clearly, consistently, and positively to all applicants. Talking points for the explanation, scripts for key parts of the rules, and a videotape providing an explanation all proved useful, especially at the beginning of the study, when line staff were most uneasy about it and had not yet developed their own way of explaining it.

2. The process of conducting random assignment must be quick and easy for staff.

Programs that process applications individually, as is the case throughout much of JTPA, may need to learn the results of random assignment immediately in order to begin implementing the service plan while the applicant is still in the office. Even when the program processes applications on a "batched" basis, the random assignment process must be quick to avoid tying up staff. Toll-free phone numbers, computerized random assignment, and immediate feedback all help to provide a quick response.

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[17] The change from 1:1 to 2:1 resulted in a 12 percent reduction in the statistical precision of the impact estimates.

3. Line staff can be helped to adapt to changing procedures and the inevitable stress caused by participating in a complex study.

Several sites in the JTPA study explicitly addressed the problem of staff stress by scheduling training sessions on managing change and stress. While the need for this will vary from site to site and may be different in voluntary and mandatory programs, it should be a permitted use of funds that are provided to support the implementation of the study.

F. Lessons on Measuring Participation in the Program

Measures of program participation rates are important in developing estimates of the needed sample size for impact estimates. Before a study begins, however, estimating participation rates for treatment groups is difficult.

1. Site staff often overestimate the proportion of applicants they serve. Therefore, it is important to monitor actual participation rates early in the study to see if the original estimates were accurate.

The definition of participation rates used in impact estimates (the proportion of those who were randomly assigned to the treatment group and who actually participated in the program) has no counterpart in the normal operations of an agency. The closest estimate would be the proportion of eligible applicants who are enrolled, and this information is rarely collected by program staff. Until a base of experience is built up, researchers must rely on the impressions of staff. In the JTPA experience, staff typically overestimated the percentage served because they remembered clients who enrolled and tended to forget those who dropped out of the intake process.

III. A Final Lesson on Working with Sites

Implementing a complex study is a collaborative effort with the participating sites. The research staff must closely monitor the implementation of study procedures, since the actions taken to implement random assignment at the site level are the most critical part of the entire research process. Continued close contact increases the probability that a problem will be discovered before it becomes severe.

It is incumbent on the research team to initiate periodic contact with the sites, rather than waiting for them to raise issues. The research project will be a top priority of the research team, but surely not of the site staff, which continue to have responsibility for the ongoing operation of the program. Furthermore, site staff may not be aware that a seemingly minor problem has major research implications. Conversely, site staff may struggle to follow a procedure that is presenting major operational difficulties without realizing that it might be modifiable. In some cases, researchers may be able to make changes that do not compromise the research objectives but make life much easier for participating sites. If the research team conveys a sense of reasonable flexibility, site staff will explore options to address operational difficulties rather than concluding that their only recourse is to drop out of the study.

APPENDIX A

OVERVIEW OF THE JOB TRAINING PARTNERSHIP ACT

The Job Training Partnership Act (JTPA), Public Law 97-300, was enacted in 1982. It is the principal federally funded program directed toward providing job training and employment services to economically disadvantaged individuals.

Three of the five titles of JTPA authorize direct service to participants. Title IIA, the subject of this study, creates year-round programs for economically disadvantaged youth and adults and others with substantial barriers to employment. Title IIB authorizes funding for summer youth programs.

I. Funding Structure

A. Federal Funding by Formula

Under JTPA, funds for Title IIA are appropriated at the federal level and allotted by the U.S. Department of Labor (DOL) to the fifty states, the District of Columbia, and islands and territories, according to a formula. JTPA is almost entirely federally funded.[1]

State funding for Title IIA and IIB is then allocated to sub-state areas (SDAs) according to the area's relative share of a three-part formula. This formula includes, in equal proportions: the relative number of economically disadvantaged individuals,[2] the relative number of unemployed individuals residing in areas of substantial unemployment,[3] and the relative excess number of unemployed individuals.[4]

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[1] There are only two areas within JTPA in which funding matches are required. Section 202 (b)(1) sets aside 8 percent of the IIA allocation in which to carry out Section 123 of the Act. Section 123 specifies that the 80 percent of these funds used to provide services for eligible participants through cooperative educational agreements must be matched from funds outside the Act. The match may include the direct cost of employment or training services provided by state or local programs.

Section 304 (a)(1) establishes a match requirement for Title III. To qualify for financial assistance under this title, the state must demonstrate an expenditure of funds from public or private non-federal sources in an amount equal to the amount provided to the state under this title.

[2] An "economically disadvantaged individual" is defined as someone who: a) receives cash welfare payments under a federal, state, or local welfare program or is a member of a family that receives these payments; b) has a total family income (excluding unemployment compensation, child support payments, and welfare payments) for the six-month period prior to application which, in relation to family size, is not in excess of the higher of the poverty level established by the Office of Management and Budget (OMB) or 70 percent of the lower living standard; c) receives food stamps; d) is a foster child on behalf of whom state or local government payments are made; or e) as permitted by regulations, is an adult individual with a handicap, whose own income meets the family income requirements, exclusive of the income of other family members.

Funds for Title IIA are further apportioned according to sub-parts, with specific target groups or types of services. States are mandated to allocate Title II funds as follows:

Title IIA - 78 percent of the funds must be passed through to SDAs according to their relative share of the state total for each part of the three-part formula. Individuals eligible to participate in programs receiving assistance under this title must be economically disadvantaged, except that up to 10 percent of the participants in an SDA may be non-economically disadvantaged if they have encountered barriers to employment.

8 percent is available for state Education and Coordination Grants to provide financial assistance to any state education agency responsible for employment and training.

6 percent is available for the governor to provide incentive grants for programs exceeding performance standards, including incentives for serving hard-to-serve individuals. The funds are to be distributed among SDAs within the state in equitable proportions based on the degree to which the SDAs exceed their performance standards. If the full amount is not needed to make incentive grants, the remaining amount is to be used for technical assistance to SDAs that do not qualify for the incentive grants.

5 percent is available for the governor for the cost of auditing activities, for administrative activities, and for other coordination and State Job Training Coordinating Council (SJTCC) activities, such as staffing for the SJTCC and meeting space.

3 percent is available for the training and placement of older individuals[5] in employment opportunities with private business concerns.

Title IIB - 100 percent of the funds must be passed through to SDAs according to their relative share of the state total for each part of the three-part formula. These funds must be expended to provide education and employment services to economically disadvantaged youth over the summer months.

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[3] An "area of substantial unemployment" means an area of sufficient size and scope to sustain a Title IIA program and which had an average rate of unemployment of at least 6.5 percent for the most recent twelve-month period, as determined by DOL.

[4] The "excess number of unemployed individuals" means the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in the SDA or the number of unemployed individuals in excess of 4.5 percent in areas of substantial unemployment in the SDA.

[5] The term "older individuals" means individuals age 55 or older.

A brief description of the purpose of the other titles of JTPA follows:

Title I -	explains the state and local service delivery system and general program and administrative system under JTPA.
Title III -	establishes state-administered programs for dislocated workers and other target populations.
Title IV -	establishes funding for federally administered activities, including Native American programs, migrant and seasonal farmworker programs, Job Corps, veterans' employment programs, labor market information, and other national activities.
Title V -	amends the Wagner-Peyser and Social Security acts to foster coordination with the job training system.

The multiple titles of JTPA, with their overlapping population groups, sometimes resulted in an SDA serving the same individual in more than one title. Although Title IIA is the focus of this study and is the largest single part of JTPA in terms of enrollment and budget, other parts of the system interact with Title IIA in ways that complicate the implementation of a study of Title IIA.

Individuals frequently move between Title IIA and Title IIB, and between Title IIA and Title III. This matters because controls are restricted from receiving any SDA-administered JTPA services in the area. (State-administered programs, which caused some titles or subparts to be operated by agencies different from those administering Title IIA in some states, increased the problems of coordinating the implementation of the study.)

Title IIB, the summer youth program, at times recruits youth out of IIA, and vice versa; IIA at times reenrolls youth at the end of the summer. (All Title IIB youth are eligible for Title IIA, although the reverse is not always true because of age and income limitations in Title IIB.) Title III, serving dislocated workers, may move people into IIA if Title III funds have been fully encumbered in a program year.

B. Expenditure Requirements for Title IIA

1. Cost categories: JTPA cost categories were established to ensure that a significant proportion of the funds would be directly expended for employment and training activities. The cost categories imposed a 15 percent limit on administrative expenditures (down from 20 percent under CETA). The cost categories also require that not more than 30 percent can be spent on both administration and supportive services combined,[6] leaving at least 70 percent of the allocation for training.

2. **Restrictions on income support payments:** In defining allowable costs, the Act eliminated the payment of stipends, or allowances for participants in classroom training activities. The Act and regulations also defined the cost categories for work experience in such a way that it effectively restricted its use. The Act eliminated all subsidized public service employment.

II. Eligible Population

The purpose of JTPA is to prepare youth[7] and unskilled adults[8] for entry into the labor force. JTPA authorizes the provision of job training for economically disadvantaged individuals and others facing serious barriers to employment, including those who are in special need of such training in order to obtain productive employment. JTPA is not, however, an entitlement program: Access is not guaranteed to all who satisfy the eligibility rules. Section 141 of the Act specifies that the service delivery system is to provide employment and training opportunities to those who can benefit from, and who are most in need of, such opportunities. The system is also expected to make efforts to provide "equitable services" among "substantial segments" of the eligible population. These two terms are difficult to define, and states interpret them differently.

State and SDA interpretation of these two requirements could result in a more or less narrowly defined target population.

1. **Youth:** The Act requires that not less than 40 percent of Title IIA 78 percent funds must be expended to provide services to eligible youth. To achieve a 40 percent level of expenditure, SDAs might have to enroll more or less than 40 percent of the youth population, depending on the average cost per youth served.

2. **AFDC recipients and school dropouts:** Recipients of Aid to Families with Dependent Children (AFDC) who are required to participate in work programs and eligible high school dropouts are to be served on an equitable basis, taking into account their proportion of economically disadvantaged persons 16 years of age or over in the area.

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[6] The PIC may request a waiver of this limitation by demonstrating that excess costs result from one of the following circumstances: a) the unemployment rate exceeds the national average by at least 3 percentage points and the ratio of current private employment to population in the area is less than the national average of such ratio; b) the area plans to serve a disproportionately high number of participants requiring exceptional supportive services, such as individuals with handicaps; c) the cost of providing necessary child care exceeds one-half of all supportive services in the SDA; d) the costs of providing necessary transportation exceeds one-third of all supportive services in the SDA; or e) a substantial portion of participants are in training programs of nine months' duration or more.

[7] The term "youth" means an individual who is age 16 through 21.

[8] The term "adult" means an individual who is 22 years of age or older.

3. **Other target groups:** SDAs are also to make efforts to provide equitable services to other substantial segments of the eligible population. "Substantial segments" are defined at the state or local level and may be enforced with varying levels of intensity across states. Within these parameters, SDAs decide whether to include programs for in-school youth in their job training plans.[9]

JTPA is a voluntary program. Unlike the new Job Opportunities and Basic Skills Training (JOBS) Program and some of its predecessor welfare-to-work programs, JTPA does not require people to participate as a condition of receiving a direct personal benefit, such as a cash grant. As noted above, JTPA is not an entitlement program, such as the public employment service.

III. Administrative/Oversight Structure

JTPA provides states and local areas with the flexibility to select, within legislated parameters, the administrative/oversight structure for the delivery of services and the types of services to be provided, creating great variety at the local level in the persons and organizations involved with JTPA. In virtually all cases, however, the structure chosen meant that many different actors with diverse perspectives were involved in making decisions, such as the one concerning whether to participate in the National JTPA Study.

A. Designation of SDAs

Administration of JTPA at the local level is carried out by Service Delivery Areas (SDAs). The designation of SDAs is a responsibility of the governor of each state based on a proposal from the SJTCC appointed by the governor. SDAs provide the vehicle for delivering job training services to the local areas.

SDAs are generally geographically defined as a large unit of local government. They must comprise all of a state or one or more units of local government, and they must be consistent with labor market areas or standard metropolitan statistical areas or with areas in which related services are provided under other state or federal programs.[10]

B. Variety of Local Administrative/Oversight Structures

JTPA was a landmark piece of legislation because it increased the role of the states and established an equal partnership between the public and private sectors in the planning and oversight of a federally funded job training program. The Act passed substantial authority for the federally funded JTPA system to the governor. DOL, in keeping with the general trend toward decentralization that led to JTPA's structure, has reinforced the statutory provisions that provide authority to the states by minimizing system-wide directives (including adding only a minimal number of regulations to the Act).

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[9] A variety of exemplary youth programs, including one that allows for preemployment skills training for individuals aged 14 and 15, are described in Section 205 of the Act.

[10] As noted in the text, the governor must approve requests for designation as an SDA from units of general local government with populations of 200,000 or more or from any consortium of contiguous units of general local government with aggregate populations of 200,000 or more that serve a substantial part of a labor market. The governor must also approve such requests from any Concentrated Employment Program (CEP) grantee that served as a prime sponsor under the Comprehensive Employment and Training Act (CETA).

The governor designates the state agency responsible for the oversight of all JTPA programs in the state, appoints members to the SJTCC, conducts state programs, designates SDAs, and approves SDA plans. The SJTCCs recommend policy and advise the governor on the designation of SDAs, on approval of SDA plans, and on program implementation.

Each SDA is required to establish a Private Industry Council (PIC). The majority of each PIC must be composed of representatives of the private sector. Six other groups, including labor, education, community-based organizations (CBOs), representatives of individuals with handicaps, the public employment service, and economic development agencies, must also be represented on the PIC. The size of the PIC and representation by additional groups is decided by the PIC. The diverse representation on the PIC means that varying interests are heard and considered in the decision-making process.

Members of the PIC are appointed, with the approval of the governor, by the Chief Elected Official(s) – CEOs – of the unit(s) of local government from a list of nominees from business, education, labor, and other designated organizations defined in the Act. The CEOs submit their recommendations for PIC appointments to the governor for approval.

Once the PIC is established, the PIC and CEO jointly select the planning entity, grant recipient, and administrative entity. The planning entity is responsible for developing the biennial Job Training Plan, which defines how the funds will be spent. (Modifications are required annually.) The grant recipient is the organization that receives the federal JTPA funds from the state. The administrative entity is the organization responsible for carrying out the plan. One or more organizations can be designated to fulfill each of these functions.

C. Variety in Provision of Services

Within a wide range of authorized employment and training services, SDAs select the mix of programs to be provided and organize the delivery structure for each of the components. SDAs become brokers of services, working with and through other human resource delivery systems to a greater or lesser extent. They typically do not provide most services directly. Instead, SDAs contract with other agencies to provide services. Some SDAs contract out for the majority of services, including the determination of program eligibility, and others provide all but vocational skills training components with their own staff. In all cases, the flow of individuals from one agency to another necessitates substantial levels of coordination, but the importance of carefully coordinated services is compounded in systems with multiple intake points and service providers.

IV. The Federally Mandated Performance Standard System

The Act requires the U.S. Secretary of Labor to establish standards based on factors that may include placement in unsubsidized employment, retention in unsubsidized employment, increase in earnings, reduction in the number of cash welfare recipients, and reduction in the amounts of case welfare payments. For youth, employment competencies, school completion, and enrollment in other training programs or enlistment in the military are also to be established. Standards relating program expenditures to various performance measures also are required.

Governors may prescribe variations in these standards. While a few states have adopted the benchmarks established by DOL, nearly all have adjusted the national benchmarks based on local factors, using a regression model developed by DOL. Some states have added standards, and a few have developed alternative performance standard systems. Any such alternative system must be approved by DOL.

The importance of doing well on the performance standards is reinforced by the distribution of Title IIA 6 percent incentive funds (discussed in Section IA of this Appendix).

APPENDIX B

PROFILES OF THE SITES

This appendix opens with several tables summarizing information about the 16 service delivery areas that are participating in the National JTPA Study. It follows with a set of profiles of the sites describing, in each case, the site's location, size, population, and labor market; its program (structure, services, participant characteristics, and performance on Title IIA programs); and its implementation of the study.

These profiles are intentionally brief and are meant to provide the reader with some understanding of the diversity across sites. Programs not included in the sample, such as Titles III and IIB, and services to in-school youth through Title IIA, are not specifically discussed. More comprehensive information on the sites will be provided in future JTPA reports.

To ensure a consistent base for comparison across sites, 1979 census data were the primary source of information on population and size, while the JTPA Annual Status Report (JASR) for 1986 were used for information on client characteristics and performance.[1] SDAs' Annual Job Training Plans, and observations and data collected by the researchers during the implementation of the study, were also drawn on in developing these profiles.

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[1] The JASR data contain information on individuals "terminated" from the program each program year. "Terminated" is the label assigned to people who were enrolled in JTPA at some time during the year and whose enrollment ended because of employment or program completion, or because they dropped out or were removed from the program early.

TABLE B.1

LOCAL ECONOMIC CONDITIONS, BY PARTICIPATING SDAs

SDA	Unemployment Rate (Program Year 1986)	Average Wage (Calendar Year 1986)[a]	Percent of Families Below Poverty Level[b]	Population Density (# of Persons per Square Mile)
Capital Area, MS (Jackson)	6.7	17,200	13.3	310
Concentrated Employment Program, MT (Butte)	7.7	16,700	7.5	10
Coosa Valley, GA (Rome)	5.7	15,300	11.2	80
Corpus Christi/Nueces County, TX	10.4	18,500	13.4	320
Crawford/Hancock/Marion/Wyandot Counties, OH	10.0	18,100	7.2	120
East Central Iowa (Cedar Rapids)	5.9	17,200	6.1	90
Greater Omaha, NE	5.6	17,700	6.6	520
Heartland, FL (Lakeland)	10.3	15,200	11.4	90
Jersey City, NJ	9.6	20,400	14.7	7,000
Larimer County, CO (Fort Collins)	5.8	17,500	5.9	60
Macon/De Witt Counties, IL (Decatur)	11.3	22,300	7.8	150
Northeast, IN (Fort Wayne)	6.0	17,800	5.9	160
Northwest, MN (Crookston and Thief River Falls)	10.0	13,600	11.1	10
Oakland, CA	8.7	22,000	8.7	6,300
Providence/Cranston, RI	4.6	17,000	9.0	4,630
Springfield, MO	5.9	15,200	10.1	70
Average	7.8	17,605	9.4	1,245
National Average	8.0	16,900	9.4	600

(continued)

TABLE B.1 (continued)

SOURCES: JTPA Annual Status Report (JASR) for program year 1986. The JASR data on percent of families below the poverty level are based on 1979 census data; population density is based on 1980 census data.

NOTES: [a] Average wage is the total payroll reported to federal and state unemployment insurance programs in the SDA divided by the number of employees in the SDA.

[b] The poverty level was defined in 1979 as $7,356 for a family of four with two children.

TABLE B.2

DEMOGRAPHIC CHARACTERISTICS OF JTPA TERMINEES FROM TITLE IIA (1986), BY PARTICIPATING SITES

Site	Total	Adult (%)	Youth (%)	Male (%)	Female (%)	White (%)	Black (%)	Hispanic (%)	Asian (%)	American Indian (%)	Limited English (%)
Capital Area, MS (Jackson)	771	41	59	50	50	15	84	0	0	1	0
Concentrated Employment Program, MT (Butte)	731	64	36	34	66	92	1	2	0	5	0
Coosa Valley, GA (Rome)	464	52	48	36	64	90	9	1	0	0	0
Corpus Christi/Nueces County, TX	993	51	49	47	53	19	8	72	1	0	1
Crawford/Hancock/Marion/Wyandot Counties, OH	673	47	53	55	45	94	4	1	0	0	1
East Central Iowa (Cedar Rapids)	731	50	50	54	46	89	6	1	4	1	3
Greater Omaha, NE	853	55	45	41	59	40	54	4	0	1	1
Heartland, FL (Lakeland)	3,044	63	37	44	56	61	35	4	0	0	1
Jersey City, NJ	1,213	51	49	43	57	8	69	21	2	0	5
Larimer County, CO (Fort Collins)	401	68	32	39	61	82	2	12	2	1	2

(continued)

TABLE B.2 (continued)

Site	Total	Adult (%)	Youth (%)	Male (%)	Female (%)	White (%)	Black (%)	Hispanic (%)	Asian (%)	American Indian (%)	Limited English (%)
Macon/De Witt Counties, IL (Decatur)	621	58	42	59	41	64	36	0	0	0	0
Northeast, IN (Fort Wayne)	1,726	66	34	47	53	68	27	3	1	0	1
Northwest, MN (Crookston and Thief River Falls)	408	57	43	56	44	97	0	1	0	1	0
Oakland, CA	934	61	39	54	46	6	68	4	21	0	14
Providence/Cranston, RI	639	54	46	52	48	38	34	19	8	1	10
Springfield, MO	1,117	60	40	50	50	94	2	0	3	1	3
Average for Sites	957	56	44	48	52	60	27	9	3	1	5
National Average	1,318	56	44	47	53	61	25	9	3	2	6

SOURCE: JTPA Annual Status Report (JASR) for program year 1986.

TABLE B.3

ACTUAL PERFORMANCE FOR JTPA TERMINEES FROM TITLE IIA

Site	Adults				Youth		
	Entered Employment Rate (%)[a]	Cost per Entered Employment ($)[b]	Average Wage at Placement ($)[c]	Welfare Entered Employment Rate (%)[d]	Positive Termination Rate (%)[e]	Youth Entered Employment Rate (%)[f]	Cost per Positive Termination ($)[g]
Capital Area, MS (Jackson)	78.4	2,184	4.41	76.5	94.7	48.5	1,354
Concentrated Employment Program, MT (Butte)	74.6	3,249	5.55	69.0	87.2	68.8	2,217
Coosa Valley, GA (Rome)	89.6	2,182	4.75	89.3	81.7	43.8	1,945
Corpus Christi/Nueces County, TX	77.0	2,913	4.77	65.4	80.2	46.0	2,645
Crawford/Hancock/Marion/Wyandot Counties, OH	57.0	4,813	4.76	55.7	76.6	38.2	3,487
East Central Iowa (Cedar Rapids)	82.1	2,618	5.46	72.5	86.4	62.0	2,292
Greater Omaha, NE	68.0	3,397	4.86	54.0	84.0	46.0	2,995
Heartland, FL (Lakeland)	75.0	2,523	4.69	70.7	82.8	58.3	2,468
Jersey City, NJ	92.7	2,504	5.19	92.6	95.1	68.2	2,652
Larimer County, CO (Fort Collins)	74.4	1,773	4.65	55.4	76.6	60.9	2,258

(continued)

TABLE B.3 (continued)

	Adults				Youth		
Site	Entered Employment Rate (%)[a]	Cost per Entered Employment ($)[b]	Average Wage at Placement ($)[c]	Welfare Entered Employment Rate (%)[d]	Positive Termination Rate (%)[e]	Youth Entered Employment Rate (%)[f]	Cost per Positive Termination ($)[g]
Macon/De Witt Counties, IL (Decatur)	68.7	3,213	5.15	69.9	77.2	30.0	2,347
Northeast, IN (Fort Wayne)	91.0	1,504	4.82	87.0	87.0	72.0	2,982
Northwest, MN (Crookston and Thief River Falls)	85.0	2,553	5.24	66.7	87.9	42.0	1,566
Oakland, CA	60.9	3,258	6.35	60.8	83.4	41.0	3,110
Providence/Cranston, RI	75.1	4,424	5.37	72.1	87.0	57.3	2,247
Springfield, MO	86.0	2,292	4.63	79.0	94.0	55.0	1,724
Average for Sites	77.7	2,838	5.04	71.0	85.1	52.4	2,392
National Average	72.4	2,952	5.08	63.7	80.8	52.6	2,427

SOURCE: JTPA Annual Status Report (JASR) for program year 1986.

NOTES:

[a] The percent of all adult terminees who entered employment.

[b] Total expenditures for adults divided by the number of adults who entered employment.

[c] Average hourly wage of adults who entered employment at termination.

[d] The percent of all adult terminees on welfare (when they entered the program) who entered employment.

[e] The percent of all youth terminees who had a positive termination: either entered employment or met one of the employability enhancement definitions.

[f] The percent of all youth terminees who entered employment.

[g] Total expenditures for youth divided by the number of youth who had a positive termination. (See footnote e.)

TABLE B.4

DIFFERENCE BETWEEN ACTUAL PERFORMANCE LEVELS AND STATE PERFORMANCE STANDARDS FOR JTPA TITLE IIA TERMINEES (1986), BY PARTICIPATING SITES

	Adults				Youth		
Site	Entered Employment Rate (%)[a]	Cost per Entered Employment (%)[b]	Average Wage at Placement ($)[c]	Welfare Entered Employment Rate (%)[d]	Positive Termination Rate (%)[e]	Youth Entered Employment Rate (%)[f]	Cost per Positive Termination ($)[g]
Capital Area, MS (Jackson)	15.4	-812	0.23	26.6	21.5	15.3	-1,641
Concentrated Employment Program, MT (Butte)	12.6	-1,125	0.64	18.0	12.2	25.8	-2,683
Coosa Valley, GA (Rome)	21.4	-1,373	0.29	31.3	11.5	0.0	-841
Corpus Christi/Nueces County, TX	14.9	-2,839	0.07	21.1	12.8	3.7	-2,309
Crawford/Hancock/Marion/Wyandot Counties, OH	-1.4	-963	-0.17	7.6	-5.7	2.6	48
East Central Iowa (Cedar Rapids)	14.5	-1,699	0.68	16.3	7.2	13.5	-1,644
Greater Omaha, NE	6.0	-977	0.72	3.0	9.0	3.0	-1,905
Heartland, FL (Lakeland)	11.8	-1,167	0.73	14.5	8.1	23.8	-415
Jersey City, NJ	36.0	-2,990	0.48	42.7	28.5	28.8	-1,557
Larimer County, CO (Fort Collins)	15.0	-2,785	-0.28	6.5	7.8	22.8	-2,234

(continued)

TABLE B.4 (continued)

	Adults				Youth		
Site	Entered Employment Rate (%)[a]	Cost per Entered Employment (%)[b]	Average Wage at Placement ($)[c]	Welfare Entered Employment Rate (%)[d]	Positive Termination Rate (%)[e]	Youth Entered Employment Rate (%)[f]	Cost per Positive Termination ($)[g]
Macon/De Witt Counties, IL (Decatur)	7.6	-2,516	-0.19	16.7	1.6	0.5	-611
Northeast, IN (Fort Wayne)	22.0	-1,786	0.20	33.0	7.0	14.0	-707
Northwest, MN (Crookston and Thief River Falls)	15.2	-1,320	0.53	9.0	5.1	-2.2	-1,829
Oakland, CA	6.8	-1,631	1.32	6.8	13.9	8.6	-981
Providence/Cranston, RI	16.5	-8	0.46	25.4	12.0	14.0	-2,653
Springfield, MO	14.0	-1,526	-0.02	22.0	14.0	7.0	-1,626
Average for Sites	14.3	-1,595	0.36	18.8	10.4	11.3	-1,474
National Average	10.8	-1,510	0.44	12.2	6.9	12.4	-1,384

SOURCE: JTPA Annual Status Report (JASR) for program year 1986.

NOTES:

[a] The percent of all adult terminees who entered employment.

[b] Total expenditures for adults divided by the number of adults who entered employment.

[c] Average hourly wage of adults who entered employment at termination.

[d] The percent of all adult terminees on welfare (when they entered the program) who entered employment.

[e] The percent of all youth terminees who had a positive termination: either entered employment or met one of the employability enhancement definitions.

[f] The percent of all youth terminees who entered employment.

[g] Total expenditures for youth divided by the number of youth who had a positive termination. (See footnote e.)

CAPITAL AREA TRAINING AND EMPLOYMENT CONSORTIUM (Jackson, Mississippi)

Study Context

Three cities in northcentral Mississippi are served by the Capital Area Training and Employment Consortium. They are Jackson, Clinton, and Pearl, with Jackson having 85 percent of the total population of 239,000. Thirty-eight percent of the SDA's population is black and other minorities. An estimated 13 percent of the families had incomes below the federal poverty level in 1979.

The unemployment rate was 6.9 percent in 1985 and 6.7 percent in 1986. The largest source of jobs is the service sector. The state capital in Jackson provides white-collar employment. Other service industries, such as hospitals, are another major source of employment. The average wage in the SDA was $17,200 in program year 1986.

The Program

The SDA is a consortium, with the city of Jackson serving as the administrative and planning entity and grant recipient for the program. Staff, employed by the city in the Department of Human and Cultural Services, are housed in one central office. The SDA is the grant recipient for Title IIA and IIB funds, but does not operate Title IIA 3 and 8 percent programs or Title III.

The SDA offers classroom training in a variety of occupational areas. Performance-based contracts are used to fund training in specific vocational areas such as health occupations, auto mechanics, truck driving, cooking, and security. JTPA is the primary source of business for a number of these contractors. Other contractors, including a community college and Jackson State University, are funded to provide other activities, including a 6- to 8-week job club/employability development program, which can lead to an OJT, and ABE and GED classes. A total of 12 contractors were utilized during the study period. In addition, SDA staff develop OJT positions and place participants in employment. Some of the OJTs are developed for employer-referred candidates.

Of the 771 people terminated from Title IIA in program year 1986, about 60 percent were youth, whose time in the program averaged 14 weeks. Nineteen percent of the youth were high school dropouts and 30 percent were AFDC recipients. About half the youth were age 18 or over. Adults, representing 41 percent of the terminees, averaged 5 weeks in the program. Nineteen percent were high school dropouts and 11 percent were AFDC recipients. Of the total terminees, 84 percent were black and 15 percent were white. Performance standards were exceeded by the SDA during this year.

Study Implementation

Service providers are responsible for their own recruitment. The SDA has experienced some difficulty reaching enrollment targets for the white population. Sixty percent of the eligibility interviews are conducted by city JTPA staff at the SDA office, and 40 percent are held at contractor sites prior to the start of new classes. Some applicants are screened by the provider and then sent to the SDA office for the eligibility interview. When eligibility can be determined without additional follow-up during the initial interview, the random assignment phone call takes place immediately. Otherwise, random assignment occurs after additional documentation has been obtained, without the applicant being present. After random assignment, those assigned to the treatment group are referred to the service providers, who determine whom they will enroll.

A variety of release and information forms, in addition to those required for the study, are required by the state for those enrolled in the program. Several months after random assignment began, procedures were modified so that these additional forms were completed only for individuals assigned to the experimental group.

The start-up of the study in February 1988 coincided with the release of additional funds to the SDA by the state. Therefore, the SDA had to issue additional Requests for Proposals and quickly initiate new programs just as assignments to the control group were beginning to occur. The timing of these two events created some problems for the SDA, and a performance adjustment was eventually needed over two program years, with random assignment ending in March 1989. Nevertheless, the SDA met its random assignment sample goal several months early and extended random assignment for one month in order to increase the sample above the original goal.

During the period of the study, 41 percent of the applicants were recommended for classroom occupational skills training, 37 percent for other services, and 22 percent for OJT. Individuals served through a contract with vocational rehabilitation services were excluded from random assignment.

CONCENTRATED EMPLOYMENT PROGRAM AREA (Butte and Helena, Montana)

Study Context

The Concentrated Employment Program (CEP) serves ten counties in western Montana. The CEP SDA has approximately 125,000 residents, of whom about 37,000 live in Butte; 24,000 live in Helena. The remaining parts of the SDA are very rural, with no towns over 15,000 in population. SDA residents are primarily white, and 7.5 percent of all families had incomes below the federal poverty level in 1979.

The SDA's economy has traditionally been based on mining, timber, and ranching. In the late 1970s and early 1980s, major layoffs in mining and related industries occurred in Butte and Anaconda, causing a decline in the local economy in these areas. The state capital in Helena provides white-collar employment, while Butte's economy is gradually diversifying. Unemployment in the SDA was 9 percent in 1984 and gradually declined to 7.4 percent in 1987. The average annual wage for workers in the SDA was $16,700 in program year 1986.

The Program

The Montana Department of Labor and Industry, Employment Policy Division, is the grant recipient for the SDA, which has a Private Industry Council appointed by the CEP Council of County Commissioners. The Council of County Commissioners also is consulted on JTPA policy and at times meets jointly with the PIC. The JTPA program is operated by the Montana Job Service Division, under contract with the Employment Policy Division. Four Job Service offices provide JTPA services: In Helena and Butte, separate JTPA intake offices serve clients, while in Anaconda and Dillon, the Job Service provides both its usual job listing services and JTPA in a single office.

The Job Service staff offer job search assistance and OJT in all offices and provide classroom training by referrals to other agencies. In Helena, a basic skills brush-up course followed by clerical training was an important activity, preparing people for employment in the capital area, while in much of the rest of the SDA, OJT was the most common activity. In the rural parts of the SDA, the nearest classroom training service provider was many miles away.

Of the 731 people terminated from Title IIA in program year 1986, 64 percent were adults. Among adults, 9 percent were high school dropouts and 28 percent were receiving AFDC; for youth, the figures were 5 percent and 16 percent, respectively. Average time in the program was 21 weeks for adults and 18 weeks for youth.

The SDA met all its performance standards in program year 1986.

Study Implementation

The normal intake procedures in the two larger offices (Helena and Butte) differed somewhat from those in the smaller offices. In Helena and Butte, intake for JTPA was normally done on a group basis, typically scheduled once a week. Clients completed the JTPA application and met with staff for a brief assessment interview. An orientation session was then held for applicants who were eligible and appropriate for JTPA. At this session, staff would provide job counseling, conduct a fuller assessment, and then work with individuals to arrange services. In the smaller offices, staff worked with clients individually and the procedures could be handled more informally.

In order to introduce the study procedures in this SDA, three issues had to be addressed. First, in the two larger offices, an appropriate point for the designation of the activity category had to be identified that would come late enough to provide staff with information on the clients but before services were provided during orientation. Staff agreed to base recommendations for services on a review of the materials assembled during the group intake sessions. At these sessions, applicants would complete the background information form and informed consent form and random assignment was then conducted. Only those randomly assigned to the treatment group would be scheduled to attend orientation and then be referred to service providers.

Second, some clients who were interested in an OJT would try to arrange one on their own; this was especially common in the smaller offices. Typically, the percentage of individuals who sought and found an OJT in this way was quite low, so random assignment could not come before the beginning of this individual OJT search. However, individuals needed to understand that if they returned with a possible OJT, enrollment in JTPA was not guaranteed. As was always the case, their eligibility would have to be redetermined, and staff would have to judge the appropriateness of the job for an OJT, and – during the period of the study – they would have to go through random assignment.

Third, in Helena and Butte, agencies serving displaced homemakers provided pre-employment skills training and counseling, using state funds, and often then enrolled some of their participants into JTPA-funded clerical training. Since the initial portion of the sequence was not funded by JTPA and only a portion of participants made it to the JTPA-funded activities, clients referred from these service providers were excluded from the study.

The SDA began random assignment in July 1988 and completed it in September 1989, falling somewhat short of its original target sample.

COOSA VALLEY REGIONAL DEVELOPMENT CENTER (Rome, Georgia)

Study Context

The Coosa Valley Regional Development Center provides JTPA services for a ten-county area in the northwestern part of Georgia. The SDA is large and rural, and public transportation is nonexistent except in Rome, which is the largest city, with a population of 30,000. Services are provided through a decentralized structure in order to reach the total SDA population of 355,000, which is predominantly (more than 90 percent) white. Approximately 11 percent of the families had incomes below the federal poverty level in 1979.

The most important employment sector is manufacturing, which employed 38 percent of the workforce in 1980. The textile and apparel industries dominant this sector. The service sector also supplies a significant number of jobs, employing 19 percent of the workforce. The unemployment rate started to decline just as random assignment began – from 7 percent in 1985 to 5.7 percent in 1986. The average wage in the area was $15,300 per year in program year 1986.

The Program

A state-created but locally administered Regional Development Center (RDC) is the planning and administrative entity and grant recipient for the SDA. RDCs fulfill multiple labor-market-related functions in Georgia and receive funds from the state as well as from the programs they oversee, such as JTPA. The Coosa Valley RDC provides fiscal and program oversight and contracts out all services. The PIC, whose members include a number of the JTPA contractors, provides input to the RDC. The RDC contracted with Berry College to provide intake services as well as occupational training. Because of the large area served by the SDA, intake was conducted at provider sites and in central public locations within the counties (e.g., courthouses), as well as at Berry College's JTPA office. Following the determination of eligibility for services, Berry College staff made referrals to the 18 JTPA contractors that dealt with the population covered by the study.

Community colleges, vocational colleges, technical schools, and private for-profit and not-for-profit organizations provided classroom training in a wide range of occupations. Community-based organizations worked primarily with out-of-school youth in GED preparation, job search activities, and the development of youth competencies. The private contractors also arranged OJTs. Contracts for all of the above activities were primarily performance-based.

Of the 464 persons terminated from Title IIA of JTPA in program year 1986, 52 percent were adults and 48 percent were youth. Youth averaged 19 weeks in the program and adults averaged 14 weeks. Forty-one percent of the adults were high school dropouts and 12 percent were AFDC recipients at the time of application to JTPA. Seventeen percent of the youth were high school dropouts and 16 percent were AFDC recipients.

In program year 1986, the SDA met all its performance standards.

Study Implementation

Random assignment started in January 1988 and ended in August 1988. Recruitment was not a general problem, although some OJT providers said that the study caused them to lose good candidates. Over the study period, there were several organizational changes that complicated the implementation process. Berry College had only recently become the contractor for intake services and was still refining procedures at the time the study started. The good relationship that developed between the service providers, Berry College, and the SDA staff was critical to the successful implementation of the study. The need to recommend individuals to an activity category prior to random assignment required further adaptations for service providers not providing classroom training. Berry College certified and referred applicants to the providers, who were asked to determine whether they would accept the applicant. Most classroom training contractors were already doing this type of assessment. Once the client was found appropriate for services by the contractor, Berry College would complete the random assignment call and then inform both the contractor and client of the client's status in the study.

Frequently, applicants interested in classroom training or OJT, including some employer-generated referrals, would make their first contact with the provider rather than with the college. When this occurred, the contractor would complete an assessment and then refer the person to the college for an eligibility interview and random assignment. OJT contractors prior to the study provided several days of job search activities and sometimes made referrals to prospective employers prior to the official determination of eligibility. During the study, this was restricted to no more than two days of job search and no direct employer referrals until after random assignment was completed and the applicant was identified as in the treatment group.

The intake procedures for a contractor who arranged customized training to fill employer needs sometimes varied slightly from the procedures described above. In most cases, intake personnel went on-site and, if the applicant appeared to be JTPA-eligible, random assignment was conducted prior to obtaining all documentation to support the eligibility. This was done to expedite the placement of individuals in these programs. Those who were assigned to the treatment group were then required to complete the certification process; any who did not meet all eligibility requirements were not enrolled by the SDA.

Approximately 40 percent of all applicants were recommended for occupational skills training over the random assignment phase of the study, with 34 percent of the applicants recommended for OJT. Special groups excluded from the study in this SDA were individuals served with 3 percent funds or 6 percent funds, which were targeted for hard-to-serve individuals (a fifteen-slot program for people with multiple barriers to employment), people with handicaps who were to be served by a vocational rehabilitation contractor, individuals in a special program for the deaf, and people served through a limited-slot reciprocal agreement with the neighboring SDA.

Adjustments to performance standards were not required in either year of the study.

CORPORATION FOR EMPLOYMENT AND TRAINING, INC. (Jersey City, New Jersey)

Study Context

The Corporation for Employment and Training (referred to in this report as Jersey City) provides JTPA services to a single city area. This urban area, with a population of 224,000, is approximately 50 percent black, with the remainder of the residents divided primarily among whites, Hispanics, and Middle Eastern and Asian immigrants. With a population density of 7,000 per square mile and 14.7 percent of the families with incomes below the federal poverty level in 1970, the area shares problems similar to those confronting other large urban areas.

The overall average wage during the year preceding implementation of the study was $20,400. This average masks great differences in income within the community, with many longtime minority residents earning much less and many recent arrivals in "gentrified" neighborhoods working in high-paid jobs elsewhere in the metropolitan area. The unemployment rate dropped from 10.9 percent in 1984 to 7.9 percent in 1987. However, many residents have sought employment outside the SDA because of a severe decline in manufacturing and the closing of many factories. The service sector, including financial institutions and distribution centers, are major employers, but wage rates are lower than in neighboring New York City.

The Program

The city contracts with the Corporation for Employment and Training, a private, non-profit organization which previously operated the CETA program, to administer the JTPA program. The corporation administers the Title IIA 3 percent and 8 percent programs and Title III in addition to the 78 percent and 6 percent funds, which are passed through to SDAs by the state.

The OJT program is implemented by in-house staff, who also provide direct placements and job search. The corporation subcontracts for classroom occupational skills training, using a total of 23 providers throughout the study period. Contracts are performance-based and often directed to specific service occupations. Training is provided in areas such as clerical, financial, health and food services, and drafting occupations. One provider received funding to provide placement services to the Hispanic population during part of the study. Proprietary and business schools as well as vocational technical centers are primary contractors. The SDA increased its emphasis on individual referrals and contracts toward the end of the study implementation period.

In program year 1986, of the 1,213 terminees, 49 percent were youth and 51 percent were adults. Youth, of whom 22 percent were high school dropouts and 30 percent were on AFDC, averaged 16 weeks in the program. Adults averaged 14 weeks in the program, and 40 percent were high school dropouts; 26 percent were on AFDC.

The SDA reported difficulty meeting the wage per placement standard for adults and recruiting youth, although in program year 1986 all performance standards were met or exceeded.

Study Implementation

Applicants' first contact with the program was through the corporation or the contractor. Eligibility was determined at the corporation's intake office, and some brief testing was conducted at that time. Applicants who were assessed and determined eligible were called in for random assignment at the end of the day. People assigned to the treatment group were notified of their status by phone or mail. Toward the end of random assignment, procedures were modified and random assignment was completed while the applicant waited so that those assigned for services could be immediately referred to an appropriate service provider and enrolled by the end of the program year.

The corporation reported some difficulty recruiting youth throughout the study period, and some providers reported special recruitment problems. The random assignment ratio was adjusted at several points and then briefly suspended in order for the SDA to try to meet goals for the program year. Although the SDA met all the performance standards during the first year of the study, its performance was slightly down from the previous year, particularly in the entered employment rate for adults and youth. A performance adjustment was requested from the state, since this decline in performance affected the levels of incentive funds the SDA received. A small adjustment was approved.

Random assignment started in November 1987 and ended in September 1989, with a total of 1,686 people in the sample. About 40 percent of the sample were recommended for classroom training services, while the other 60 percent were divided almost equally between OJT and other services. The 3 percent program was excluded from the sample, as were homeless people who had to be in a job training program to qualify for shelter.

CORPUS CHRISTI/NUECES COUNTY (Texas)

Study Context

The Corpus Christi/Nueces County SDA (previously called the Corpus Christi Job Training Program) is located in southeastern Texas on the Gulf of Mexico. Corpus Christi, with a population of 232,000, has 86 percent of the 270,000 county residents. Hispanics and whites have been represented almost equally in the population, at 47 percent each, but the Hispanic population is increasing. Black residents represent about 5 percent. Approximately 13 percent of the families in the SDA had incomes below the federal poverty level in 1979.

The local economy, with many jobs tied to the oil industry as well as tourism, was affected by the major recession in Texas in the mid-1980s. The unemployment rate increased from 9.1 percent in 1984 to 12 percent in 1987. The overall wage for the area in program year 1986 was $18,500.

The Program

At the beginning of program year 1988, the PIC was incorporated and assumed responsibility as grant recipient and administrative entity. Staff then became employees of the PIC. There are two JTPA offices in the SDA, although the site outside the city is not a full-service center. The SDA is responsible for Title IIA programs, including 3 percent and 8 percent programs, as well as Titles IIB and III.

OJT and classroom occupational training are the most frequently emphasized activities, with some GED and job search activities also provided. Except for assessment and intake, the PIC uses performance-based contracts and subcontracts all services to outside organizations. The primary classroom training contractor, a community college, provides classroom training in a wide range of occupational areas; JTPA participants are mainstreamed with other students. A GED class, however, is offered only to JTPA clients. The Texas Employment Commission, the public employment service, is currently responsible for administering the OJT program, although in the first year of the study, a private for-profit contractor fulfilled this function. Two community-based organizations are also major contractors to the SDA: LULAC conducts job search, job club, and job placement, originally as a stand-alone activity, but more recently as a follow-up component for those who have completed classroom training at the community college; SER provides concurrent GED and classroom skills training for out-of-school youth. Within the last year, the SDA expanded its own services to include some job search activities. Reimbursement contracts were used for individual referrals to specific vocational training courses, offered primarily through proprietary schools.

The terminees in program year 1986 were divided almost equally between youth and adults. Youth averaged 33 weeks in the program, compared to 25 weeks for adults. Twenty-one percent of the youth were high school dropouts and 13 percent were AFDC recipients. Eighty-one percent of the youth were age 18 and over. Of the adults terminated, 24 percent were high school dropouts and 16 percent were AFDC recipients. The SDA met all of its performance standards in program year 1986.

Study Implementation

Random assignment began in January 1988 and ended in January 1989, with 1,609 people randomly assigned. Generally, recruitment was not a problem, although specific contractors reported some difficulty meeting goals; the SDA felt this was only partly caused by the establishment of the control group. During the first year of random assignment, all JTPA-funded students at the community college were excluded from the sample because enrollment in classes had already occurred. In the second year, the SDA redefined procedures and only new students (or students who had only taken preparatory courses) who were randomly assigned to the treatment group were allowed to receive JTPA funding. Excluded from the sample were older individuals served through 3 percent funding, the 8 percent program, a small number of AFDC recipients in a GED program, and a program funded through Title IIA 6 percent funds that covered work and training-related expenses, such as uniforms and car repairs, for AFDC recipients.

Implementation of the study did require closer coordination between the SDA and its contractors, although relationships prior to the study were already good. Responsibility for recruitment was shared: The SDA conducted assessments and determined eligibility, and the contractors were responsible for additional assessments and random assignment. Applicants who were recruited and seen first by the contractor were sent to the SDA for eligibility determination and referred back to the contractor for random assignment. Applicants who were recruited by the SDA staff were assessed and screened by the service providers prior to random assignment. Those determined inappropriate by the service providers were referred back to the SDA for further assessment. There were some problems with the flow of people and paper as a result of this process. Originally, paperwork was given to the applicant to take with him or her to the other agency, but some of it was getting lost. Procedures were modified so that the contractor picked up a copy of the paperwork and could track who was being referred.

During the sample buildup period, 50 percent of the applicants were recommended for classroom occupational training and 42 percent were called in for OJT. The random assignment process varied slightly by provider. To expedite employer referrals, the OJT contractor completed the call while the client waited. The contractor who focused on out-of-school youth scheduled applicants in groups, completed the call-in for random assignment at the end of an orientation session, and divided the group to inform them of the results. The community college made the random assignment call for all applicants just prior to the start of a new semester.

The SDA did experience some problems with performance over the period of the study. During the first year, funds were slightly underspent and the governor approved an adjustment. In the last year, the SDA has requested an adjustment in the post-program follow-up employment rate for adults.

CRAWFORD/HANCOCK/MARION/WYANDOT COUNTIES (Marion, Ohio)

Study Context

Located in northcentral Ohio, this four-county SDA has a population of 206,000. Marion is the largest city, followed by Findlay; each has a population of about 36,000. The population is predominantly white. Approximately 7 percent of the families had incomes below the federal poverty level in 1979.

Economically, there is considerable variation. The county of Hancock has had the lowest unemployment rate in Ohio, while the other counties have been adversely affected by declines in manufacturing. Overall, the unemployment rate for the area, which averaged 10.2 percent between 1984 and 1986, dropped to 8.3 percent in 1987. The average wage in program year 1986 was $18,100.

The Program

The PIC is incorporated and serves as the administrative entity and grant recipient. Its staff includes employment advisors, testers, and basic education instructors. The central administrative office is in Marion. Five JTPA training centers are spread throughout the SDA and are staffed by PIC personnel, who conduct extensive assessments and provide case management services. Through the training centers, participants can receive basic education and GED courses, using computer-assisted instruction. PIC staff also conduct job club and arrange work experience and OJT placements. Classroom occupational skills training is arranged on an individual basis through reimbursement contracts with vocational schools and technical colleges.

Participants formerly averaged approximately 40 weeks in the program as they moved through a variety of components designed to upgrade their skills. However, the decrease in the unemployment rate, relative to other SDAs in the state, resulted in a reduction in Title IIA funds. Program length continued to be reduced during implementation of the study. In program year 1986, adults participated for an average of 34 weeks and youth participated for an average of 24 weeks. Forty-seven percent of the terminees were adults. Of these, 42 percent were AFDC recipients and 32 percent were high school dropouts. Nineteen percent of all terminees were high school dropouts and 36 percent were AFDC recipients. Seventy-one percent of the youth were students and almost 60 percent were 17 years old or younger.

The SDA met all of its performance standards in program year 1986.

Study Implementation

Random assignment began in January 1988 and ended in July 1989, with 1,154 people in the sample, of whom more than 1,000 were recommended for services in either classroom occupational training (49 percent) or OJT (40 percent). Exempted from the study were older individuals served with 3 percent funds and job-ready welfare recipients mandated to participate in a job club under a contract with the Department of Human Services in two of the counties (at one point, a third county also participated in this project).

Because the Title IIA funding was reduced, and fewer people could be served, there were no recruitment problems during the period of random assignment. In the spring of 1989, enrollments for all groups except AFDC recipients were frozen because of the funding shortage.

The need to identify treatment categories prior to random assignment caused the SDA to lengthen its assessment process in some cases to ensure that applicants were assigned to the correct group of activities. Assessments were individualized, but all applicants were given the same battery of tests during half-day assessment sessions. The testing technician also provided the general orientation to the program and briefly explained the study. After the tests and determination of eligibility, applicants met with an employment advisor to make their goals final. For some people, determination of the appropriate program track was a short process; for others, it could extend over several days or weeks. Employment advisors would then discuss their cases at a staff meeting so that the final decision could be made about an activity group and appropriate services. Subsequently, all cases handled in that week were called in for random assignment. Applicants were notified of their status by phone or letter, depending on how soon an activity was scheduled to begin.

EAST CENTRAL IOWA (Cedar Rapids)

Study Context

The East Central Iowa SDA includes the cities of Cedar Rapids (population 110,000) and Iowa City (population 50,000). Total population in the SDA is approximately 330,000, and outside the two main cities the SDA is very rural. The largest SDA office is located in Cedar Rapids, and each of the surrounding five counties (Benton, Iowa, Johnson, Jones, and Washington) has a smaller office. About 6 percent of all families in the SDA had incomes below the federal poverty level in 1979.

The local labor market is closely linked to the fortunes of agriculture, through direct production and processing of food products. Within the SDA, the University of Iowa is also a major employer. Unemployment remained at about 6 percent from 1984 through 1986, then dropped in 1987 to 4.3 percent with growth in the local economy. The average annual wage in the SDA was approximately $17,200 in program year 1986.

The Program

The SDA (a private, nonprofit, multi-jurisdictional agency) administers the JTPA program. Each of its six offices is responsible for taking applications, determining eligibility, and assessing applicants. Staff in the offices are typically experienced, with many having been with the agency since the CETA program.

Client recruitment was not a problem in this SDA, except for occasional problems enrolling youth. This was partly because, when the study began, many enrollees were carried into a new program year. In this second program year, funding was not as great as expected, so the target number of new enrollments dropped sharply.

These funding problems had implications for the services provided in the SDA. In past years, intensive services such as OJT had been the major activities offered. With the decline in funding, SDA managers encouraged staff to provide less intensive services to allow more applicants to be served. Nevertheless, staff continued to recommend intensive services such as OJT and classroom occupational training for most applicants.

The 731 persons terminated from Title IIA of JTPA in program year 1986 were equally divided between adults and youth. Youth averaged 26 weeks in the program, while adults averaged 25 weeks. Seventy percent of youth served were 18 years of age or older, 8 percent were dropouts, and 21 percent were receiving AFDC. Among adults, 19 percent were high school dropouts and 27 percent were receiving AFDC.

In program year 1986, the SDA met all its performance standards.

Study Implementation

Study procedures could be integrated into the normal operations of the SDA with relatively few changes. In the Cedar Rapids office, applications were taken during a group orientation session. During this, the staff briefly discussed the study and administered short tests of basic skills. Applicants then met with a coordinator to discuss the program and determine any further documentation needed to establish eligibility. Once eligibility was established, applicants returned for an assessment appointment with a coordinator, during which the background information form and informed consent form were completed. On completion of assessment, the coordinator recommended individual services and the appropriate activity category for the study and called MDRC for random assignment.

In the five rural offices, application and eligibility determination were done in an individual meeting with clients. The background information form and informed consent form were completed during these sessions. The assessment process was less formal than in the Cedar Rapids office, and its length varied according to the needs and interests of the client. Once assessment was completed, staff recommended an activity category and called MDRC for random assignment.

Random assignment began in this SDA in June 1988 and ended in June 1989. Because of the sharp decline in funding for new enrollments during the period of random assignment, the study sample of 498 fell well below the original target number. The vast majority of the sample were recommended for intensive activities such as classroom occupational training (55 percent) and OJTs (38 percent). General assistance applicants served by the SDA under a state-funded welfare employment program were excluded from the study.

HEARTLAND (Lakeland, Florida)

Study Context

The Heartland SDA serves five counties (De Soto, Hardee, Highlands, Polk, and Okeechobee) in central Florida between Tampa and Orlando. Seventy-five percent of the SDA's population resides in Polk County, the site of Lakeland (population 50,000), the largest city in the SDA. Winterhaven, a retirement community, is also in Polk County. The remaining four counties are much less developed, though they are dotted with a number of cities and towns. Eleven percent of families living in the SDA had incomes below the federal poverty level in 1979.

Employment in the SDA is a mixture of manufacturing, services, and (near Orlando) tourism. The unemployment rate in the SDA stood at 11.3 percent in program year 1984, declining gradually to 9.4 percent in 1987. During the early 1980s, a major aircraft manufacturing facility closed, but after the start of the study, retail trade employment rose sharply with the opening of a major regional shopping center. Average annual wages in program year 1986 were $15,200, among the lowest of the SDAs in the study.

The Program

The Heartland Private Industry Council (PIC), a nonprofit organization, operates the JTPA program within the SDA. At the time the study began, clients were served through seven offices, three of which were in Polk County. OJTs are arranged by PIC staff, but classroom occupational training is subcontracted to approximately ten service providers in a typical year, with the Polk County Board of Education being the largest. Though these service providers do recruit clients, the PIC staff conduct the JTPA intake and eligibility determination. The Florida Employment Security Commission (ESC) offices in Lakeland and Winterhaven also provide job search assistance under a contract with the PIC and do conduct JTPA intake.

Classroom occupational training is the predominant service provided by the SDA. In program year 1986, two-thirds of all adult participants and almost 40 percent of youth received this service. While recruitment had not been a problem in the mid-1980s, finding appropriate JTPA-eligible applicants for the more demanding courses could be difficult. At the time the study began, the SDA planned to put somewhat more emphasis on OJT in its service plan.

In program year 1986, 3,044 persons were terminated from Title IIA of JTPA; 63 percent of them were adults. Thirty-five percent of adults were high school dropouts and 15 percent were receiving AFDC. Among youth terminees, about 60 percent were 18 years of age or older, 11 percent were high school dropouts, and 12 percent were receiving AFDC. The average participation in the program was 14 weeks for adults and 20 weeks for youth.

During program year 1986, the SDA met all its performance standards.

Study Implementation

Since 80 percent of JTPA clients come from Polk County, implementation of the study was limited to that area. The Florida ESC offices in the county were also part of the study.

Intake and eligibility determination were done in individual meetings with clients, during which the study was explained and the background information form and informed consent form were completed. Following this, eligible applicants were referred to assessment – an extensive array of testing and counseling lasting up to six hours and culminating in the development of an employment development plan. Staff then designated an activity category for the study and reviewed with the applicant once again the informed consent form. As each assessment was completed, staff called MDRC for random assignment and informed the client of the results. Special exclusions from the study included a limited number of extreme hardship cases and applicants who had completed a state-funded remedial education program and returned to JTPA for further training.

The SDA began random assignment in May 1988. By October 1988, when only about 500 persons had been randomly assigned, staff were concerned about the dramatic drop in applicants and the shortfall in enrollments. This was occurring because of a decline in the unemployment rate in the SDA, the opening of the major retail center, and problems recruiting clients because of publicity about funding cuts in the SDA for JTPA services. All of these factors combined to present the SDA with a new challenge requiring more intensive recruiting and better retention of applicants and new procedures to address the needs of hard-to-serve clients. Despite additional technical assistance on client recruiting and retention, the SDA continued to experience a major enrollment shortfall. After initially suspending random assignment for two months, the SDA decided to end it in January 1989.

JOB TRAINING OF GREATER OMAHA (Nebraska)

Study Context

Located in eastern Nebraska, this SDA serves approximately 500,000 people and includes the greater Omaha metropolitan area. The largest county is Douglas, with a population of 398,000, of whom 312,000 live within the Omaha city limits. The SDA also includes Sarpy (population 86,000) and Washington (population 16,000) Counties. The majority of the population is white, with black residents making up the largest minority group. In 1979, 6.6 percent of all families had incomes below the federal poverty level.

The employment base includes large manufacturing and transportation employers as well as jobs in clerical and administrative work and sales and sales-related employment. The Strategic Air Command (S.A.C.) is the largest employer, followed by other large service-sector firms.

The unemployment rate ranged between 4.7 percent and 5.6 percent in the four years preceding the study and was 5 percent in 1987. The average annual wage was $17,700 in program year 1986.

The Program

Job Training of Greater Omaha (the new name for this SDA) provides JTPA services in the three-county area; it was formerly called the Omaha Office of Employment Resources. The city of Omaha is the administrative entity and grant recipient, but an active PIC guides the program and is closely involved in major decisions. The SDA also administers Title III. Eight percent funds are used to enroll people in basic education classes combined with work experience; these are usually followed by OJT or classroom training. Eight percent funds are also used for occupational training and other classes at the local community college.

Classroom occupational skills training is the predominant activity for Title IIA JTPA participants. During implementation of the study, most classroom training participants were trained through five major contractors, predominantly community-based organizations. Classes provided training in service occupations, such as health services, cooking, finance, office equipment repair, and clerical work. Contracts were performance-based. Job search is conducted by in-house staff, who also monitor and arrange OJT placements.

In program year 1986, 55 percent of the 853 Title IIA terminees were adults and 45 percent were youth. Youth averaged 14 weeks in the program and 14 percent of them were high school dropouts. Sixty-four percent of the youth were age 18 or over. Adults averaged 10 weeks in the program and 17 percent were high school dropouts. AFDC recipients represented the same proportion -- 34 percent -- of the adult and youth terminees.

The SDA met all performance standards in program year 1986, although in the year before the study it underspent its allocation for youth.

Study Implementation

The service providers were responsible for recruitment, a function that had been assigned to them the year before the study began. However, the SDA also provided general recruitment for the program as a whole.

Intake, consisting of completion of an application and eligibility determination, was normally performed at the central Omaha office. (The office moved to a new location in early 1989.) During the intake interview, the background information form was filled out by staff and the study was briefly explained. Eligible applicants were then referred to an assessment and testing workshop, also conducted by SDA staff. At the workshop, the videotaped explanation of the study was shown and the informed consent form was signed. Staff meetings for groups completing the assessment and testing workshop were used to approve counselors' recommendations of activities.

People recommended for classroom training were referred to the appropriate contractor for a provider's assessment. People determined appropriate by the contractors were then scheduled for an employability development plan (EDP) interview with SDA staff, which could take place in-person or by phone. After the EDP interview, SDA staff completed random assignment and notified the contractor and applicant of his or her status. People recommended for OJT were scheduled to meet with an SDA job developer for an EDP interview immediately following the staff meetings discussed above. Random assignment took place after the plan was made final.

To implement the study, several changes were made in the assessment and testing workshop. Previously, the workshop had extended over two days and was followed, for some applicants, by a two-day job search assistance workshop. However, the SDA had difficulty retaining people through this whole process and requested on-site training by Cygnet Associates prior to the start of the study. As a result of the training, the workshop was shortened to a half-day. The SDA also sought to discourage contractors from conducting an additional assessment, although some continued to require their own job-readiness assessment.

Seventy-three percent of the people randomly assigned were recommended for services in classroom occupational skills training. OJT was the second most frequently recommended component, accounting for about 22 percent of the sample.

Random assignment began in October 1988 and continued through September 1989, with 1,362 people randomly assigned. In program year 1988, the SDA did not meet the adult entered employment rate standard, and the director did not request an adjustment. In program year 1989, the SDA received adjustments in its adult and welfare entered employment rate standards. The original sample goal of 1,600 was not met because two months before the study ended, the SDA was authorized to exempt from random assignment applicants recruited and referred for intake by the contractors.

LAND OF THE OZARKS (Springfield, Missouri)

Study Context

The Land of the Ozarks SDA (referred to in this report as Springfield, Missouri), located in southwestern Missouri, serves seven counties: Christian, Dallas, Greene, Polk, Stone, Taney, and Webster. Springfield (population 133,000), in Greene County, is the largest city and the location of the SDA's central office. The SDA is primarily rural, with a total population of 304,000, of whom more than 90 percent are white. An estimated 10 percent of the families had incomes below the federal poverty level in 1979.

The economy has been strong, with employment increasing in both the service sector, which employs the majority of the labor force, and manufacturing. Greene County also has a strong agribusiness base. The unemployment rate has gradually declined in recent years, from 7.7 percent in 1984 to 5.7 percent in 1987; in areas that are strongly influenced by tourism, seasonal changes can bring the rate as high as 20 percent. The average wage in program year 1986 was $15,200.

The Program

The City of Springfield Human Resources Department is the administrative entity and grant recipient. JTPA services are provided through the Job Council of the Ozarks, with full-service offices in Springfield, Branson, and Bolivar, a regularly staffed outreach office in Buffalo, and application sites in Kimberling City and Marshfield. Staff in each office are responsible for intake, assessment, service delivery, and implementation of the study procedures. The PIC and local elected officials act as policymakers and planners and provide program oversight.

Most of the occupational skills training programs are located in the Springfield area and transportation is a problem for many SDA residents, so there is heavy reliance on OJT programs to meet the population's training needs. Classroom training was provided primarily in health occupations, with programs such as licensed practical nursing and respiratory therapy. Welding, office occupations, and auto mechanics were also among the offerings. GED training was provided to dropout youth through a reimbursement contract with a community-based organization. Youth also received pre-employment skills training and job placement services. Work experience and a job-seekers' clinic were provided for both adults and youth.

In program year 1986, 1,117 people were terminated from the program. Sixty percent of the terminees were adults and 40 percent were youth. Youth participated for an average of 20 weeks. Eleven percent were dropouts and 19 percent were AFDC recipients. Sixty-three percent of the youth were age 18 or older. Adults participated an average of 22 weeks. Twenty percent were dropouts and 14 percent were AFDC recipients.

The Job Council of the Ozarks has consistently had high outcomes on performance standards, which have placed it between first and third among the SDAs in Missouri. However, in program year 1986, the average wage for adults employed fell slightly below the model-adjusted standard.

Study Implementation

The SDA made significant changes in its recruitment, intake, and assessment process midway through the implementation of random assignment. Using the training provided by Cygnet Associates, it streamlined its enrollment process, eliminating an initial screening interview and some tests and emphasizing program benefits. SDA staff developed a variety of materials to explain and facilitate implementation of the study.

In the Springfield office, applicants were scheduled for motivational group orientations, during which the study was explained, the informed consent form signed, and the background information form (BIF) handed out with a list of other documents the applicant would need for the eligibility interview. Applicants were then scheduled to see a technician, who determined eligibility, briefly assessed the applicant to determine appropriate activities, and completed the BIF. While the applicant waited, a clerk made the random assignment call and the applicant was informed of the results. People assigned to the treatment group were then referred to the next step in the service plan, which was agreed to during the assessment.

Procedures for the other, smaller offices did not include the group orientation. Applicants were informed in-person or by phone about the study and the paperwork needed to determine eligibility. Whenever feasible, the eligibility interview and assessment and random assignment phone call occurred during a single visit.

Recruitment was difficult owing to the low unemployment rate, and staff reported that they did relax some of their entry requirements during the study. Because of various concerns, a decision was made to shorten the length of random assignment from 17 to 12 months. The study did affect the SDA's ability to fully expend Title IIA funds, and the SDA said that performance declined, although performance standards were met.

Over the study period, about 65 percent of those randomly assigned were recommended for an OJT; about 17 percent were recommended for classroom skills training; and 18 percent were recommended for other services. The 3 percent program, administered outside the SDA, was excluded from the study, as was the licensed practical nurse training. The research design was modified to enable the SDA to add a short OJT component for some classroom training participants.

Random assignment began in April 1988 and continued through March 1989. A total of 1,202 people were assigned for the study sample.

LARIMER COUNTY (Fort Collins, Colorado)

Study Context

Located in the northcentral part of the state, approximately 65 miles north of Denver, this rural county had a total population of 150,000 in 1980, 65 percent of whom lived in Fort Collins or Loveland, site of the two JTPA offices. By the mid-1980s, the SDA's population was approximately 200,000. The population is predominantly white (92 percent in 1980); the largest minority is Hispanic (6 percent). Only 5.9 percent of the families were classified as having incomes below the federal poverty level in 1979.

The county experienced strong growth in the late 1970s and early 1980s, but in the years immediately preceding the study, unemployment began to rise – from 4.8 percent in 1984 to 7.4 percent in 1987. The service sector employs the largest number of workers, followed by trade and manufacturing. Colorado State University is the largest employer, with Hewlett Packard and Anheuser-Busch next in number of employees. The overall average wage in Larimer County was $17,500 in program year 1986.

The Program

The county government is the planning and administrative entity and grant recipient for JTPA. SDA staff are county employees in a department called Larimer County Employment and Training Services (ETS), but an active Private Industry Council guides the program. The SDA also administers the Title IIA 3 percent program and Title III. Fort Collins is the administrative headquarters and serves about 60 percent of the SDA's clients, with the Loveland office serving the remainder. When the study started, the SDA and PIC also oversaw the local employment service activities and staff, which are co-located with the SDA offices. But actions at the state level gradually resulted in a return to the more traditional, separate administrative structure.

ETS, because of its relatively small Title IIA 78 percent allocation, serves the majority of its clients through short-term, low-cost, but highly structured activities, many conducted by its own personnel: job club, a three-week program with its own training area and phone bank, is offered monthly in each office; a one-week assessment program and youth competency workshops are also ongoing. A workshop to teach job retention skills was recently added.

Other programs are contracted to schools on a cost-reimbursement basis. Individuals recommended for classroom occupational skills training begin their time in training with a two-week career planning program for JTPA participants conducted at Front Range Community College. ETS staff contribute to curriculum development and consult with instructors and clients in these programs. The high level of interaction between staff and other agencies is also evidenced by a formal network of 19 community organizations, including groups not involved with JTPA, who meet regularly to foster coordination and develop solutions for individual problem cases. The SDA has received national recognition for its networking system.

ETS, through the PIC, has also established itself as an employer resource in two key ways. First, several major companies have used ETS and the employment service as a center for screening and testing prospective employees. While both JTPA-eligible people and others who are not disadvantaged have been placed through this service, few of the large employers use the OJT program. Second, as a service for employers, the PIC annually sponsors a Business Expo, bringing in experts to educate area employers.

In program year 1986, Larimer County ETS terminated 401 individuals from Title IIA of JTPA. The average time between program enrollment and termination was 26 weeks for youth and 22 weeks for adults. The SDA did not meet its average wage at placement benchmark in program year 1986, but the cost per adult placement was far lower than expected.

Study Implementation

Before the study was implemented in December 1987, enrollment occurred prior to assessment in order to discourage the development of a screening process that might eliminate the harder-to-serve. To accommodate the research design, the SDA decided to implement a mini-assessment (locally called a pre-EDP) immediately following eligibility determination so that applicants could be recommended for a treatment category prior to random assignment. ETS worked with a consultant to develop a checklist that was used to assist staff in determining an applicant's appropriateness for each of the three treatment categories.

Following the pre-EDP, the random assignment call was placed and staff informed people of their research status in person. People assigned to the treatment group received additional assessment either on the same day or shortly thereafter. Because of the large number of participants served in job search and assessment activities, the "other services" category for this SDA was set at the comparatively high level of 70 percent. During random assignment, 64 percent of the applicants were recommended for this treatment group. Twenty percent of the people randomly assigned were recommended for classroom occupational skills training, with only 7 percent of the people randomly assigned recommended for the OJT services category.

To avoid jeopardizing ETS's good relationship with other agencies, ETS and the researchers conducted briefings on the study procedures for community agencies prior to the start-up of random assignment. Groups not included in the research in this SDA were all individuals 55 and over and referrals for service from Project Self-Sufficiency (PSS). PSS is a federally funded demonstration project designed to increase the self-sufficiency of AFDC recipients. It uses the resources of multiple agencies to provide comprehensive services – including housing, employment, and training services – to help people make the transition from welfare to work.

Midway through random assignment, for about six months, the SDA also conducted group orientations prior to the eligibility interview. During these motivational sessions, a localized version of the random assignment videotape was shown. Recruitment activities did not change substantially during the sample buildup period, and particularly in the Loveland office enrollment goals were difficult to meet.

Random assignment ended in Larimer County on September 30, 1989, with 1,027 people in the sample.

MACON/DE WITT COUNTIES (Decatur, Illinois)

Study Context

The Macon/De Witt Counties SDA, located in central Illinois east of Springfield, serves the two counties. They have a total population of nearly 150,000. Decatur, a city of approximately 90,000 located in Macon County, is the home of the larger JTPA office; a second office is located in De Witt County in the town of Clinton, which has about 8,000 residents. Outside of Decatur, the SDA is primarily rural, with scattered small towns. Decatur has a significant black population, but the remaining parts of the SDA are primarily white. In 1979, 7.8 percent of the families in the SDA had incomes below the federal poverty level.

The Macon/De Witt labor market continued to experience high unemployment throughout the 1980s, despite the national economic recovery. The unemployment rate was 10.7 percent in 1984, 10.2 percent in 1985, and 11.3 percent in 1986; it declined slightly to 10.6 percent in 1987. Plant closings or layoffs in several large heavy manufacturing firms occurred in the 1980s, and these cuts have caused a leveling off in wholesale trade, finance-insurance, and real estate employment. Construction of a nuclear power plant in Clinton did increase the demand for labor in that part of the SDA. The average annual wage in the SDA was $22,300 in program year 1986.

The Program

The JTPA grant recipient is Macon County, which administers the program. An experienced staff operate the program, with the director and assistant director having served in the agency since the CETA program. The two JTPA offices in Decatur and Clinton conduct their own intake, assessment, and service delivery. In light of the high unemployment rate in the SDA, staff do not need to actively recruit clients; 40 percent of applicants are walk-ins, and the bulk of the remainder are referrals from public aid or the employment service.

The primary services offered by the SDA are OJT and job search assistance, though classroom occupational training and basic education were planned to increase in size during the period of the study. At the time the study started, a local community college operated the OJT and job search assistance activities. These were provided under an arrangement by which the SDA paid a specified portion of the salaries of college staff, with the payment unrelated to the number of people served, though the college received bonuses when it placed certain groups in jobs. The SDA also funds basic education (through a regional school district) and work experience, with a combination of these two activities sometimes serving as a lead into an OJT.

Of 621 clients terminated from the SDA's Title IIA program in program year 1986, 58 percent were adults and 42 percent were youth. Adults averaged 29 weeks of enrollment in JTPA, while youth averaged 20 weeks. Among adults, the majority -- 63 percent -- were male. Sixty-nine percent of adults and 56 percent of youth were white; most of the remainder were black. About 15 percent of all clients were high school dropouts. Twenty-two percent of adults and 30 percent of youth were receiving AFDC on entry into the program.

In program year 1986, the SDA met all performance standards except average wage at placement.

Study Implementation

The study procedures could be introduced in this SDA with relatively few changes in normal operations, partly because the existing high demand for the program meant that demand for program services clearly exceeded available program slots. When clients initially inquired about the program, staff provided them with information on program services and eligibility rules and scheduled an individual intake interview with a counselor. At that appointment, the counselor explained the study, provided an additional orientation to the program, filled out an application and background information form with the client, and began the assessment process. Once a week, the counselors met with the supervisor to agree on an appropriate service plan for applicants. Random assignment calls were made following these meetings. Seventy-seven percent of those randomly assigned were recommended for OJTs.

Only one special change was made in the usual procedures to implement the study. Prior to the start of random assignment, SDA staff had referred applicants recommended for either OJT or job search assistance to the local community college providing these services, without designating which service should be provided. Prior to the study, SDA staff were considering designating a single service at referral and used the start of random assignment (with its requirement of a single treatment category) to introduce this change. The only group specially excluded from the study in this SDA was older workers recommended for a special OJT program.

Random assignment began in November 1987 and continued through July 1988, with the total sample reaching 471, below the original target number. The SDA chose to end random assignment early in order to participate in a state-initiated economic development project, which required them to refer large numbers of carefully screened job candidates for possible employment at a new plant in the area.

NORTHEAST INDIANA (Fort Wayne)

Study Context

The Fort Wayne Area Job Training and Development Corporation or JobWorks, located in Indiana's northeastern corner, serves eight counties: Adams, Allen, De Kalb, Huntington, Noble, Steuben, Wells, and Whitley. (Northeast Indiana is the SDA name and the name used in this report.) Fort Wayne, a city of approximately 175,000 in Allen County, is the largest urban center in the SDA and the site of the SDA's central office. Outside of Allen County, the SDA is primarily rural, with many small towns. The SDA's total population is approximately 500,000, about 93 percent of whom are white, with black residents making up the bulk of the remaining population. An estimated 6 percent of the families in the Fort Wayne area had incomes below the federal poverty level in 1979.

A strong recovery from the recession of the early 1980s dropped the unemployment rate from 8.9 percent in 1984 to 5.1 percent in 1987, with some of the rural counties having unemployment rates well below this level. During 1988 and 1989, employers were having difficulties filling jobs, and some were seeking workers from outside the area. Manufacturing remains the largest employer in the SDA, providing jobs for one-third of all workers in 1987. Between 1983 and mid-1987, manufacturing employment increased by 26 percent or 16,500 jobs, though many of the new manufacturing jobs pay less than heavy industry jobs lost in the late 1970s and early 1980s. The average wage in the Fort Wayne area was $17,800 in program year 1986.

The Program

The Private Industry Council is an incorporated nonprofit organization, which has an agreement with JobWorks to administer the JTPA program through an office in each of the eight counties in the SDA. Each JobWorks office is responsible for its own intake, assessment, service delivery, and – during the period of the study – random assignment. A recent state initiative to merge the activities of the Indiana Employment Security Division (the state employment service) and JTPA has led to greater cooperation between these two agencies at the local level and co-location of offices in many of the rural counties surrounding Fort Wayne. Even before this merger, most JobWorks applicants had already registered with the

Employment Security Division, and those who had not were required to register as part of JTPA intake.

JobWorks offers a wide range of services, with the program emphasis varying by local office depending on the availability of service providers. The primary services offered are OJT, job search assistance, and -- in the areas close to Fort Wayne -- classroom occupational training. OJT and job search assistance are operated by the JobWorks staff, while all classroom occupational training programs are run by service providers, most of whom operate under performance-based contracts. The site subcontracts with about 20 service providers, with the usual number of clients ranging from 5 to 40 per program. Service providers include local technical institutes and schools, community-based organizations, and other organizations that offer occupational training in a wide variety of areas or work with specific populations such as youth or handicapped individuals.

Of 1,726 clients terminated from Title IIA during program year 1986, about two-thirds were adults and one-third youth, most of whom were 18 years of age or older. Approximately 70 percent were white, 27 percent were black, and 3 percent were Hispanic. Seventeen percent of the adults and 13 percent of the youth served received AFDC, while 31 percent of adults and 12 percent of youth served were high school dropouts. Adults served averaged 13 weeks in the program, while youth averaged 22 weeks.

JobWorks met all of its performance standards in program year 1986.

Study Implementation

The intake process varied slightly from office to office, but generally random assignment occurred after the client had completed all application forms, been determined eligible for JTPA, been assessed by JobWorks staff, and been recommended for specific services. The background information form for the study was completed along with other application materials, and the study was explained as part of the initial intake session. The informed consent form was signed during an assessment interview. In the Fort Wayne office, assessment often involved extensive testing. In order to accommodate the study design, JobWorks staff in the Fort Wayne office agreed to reduce job search assistance during assessment to approximately two hours.

Service recommendations were made at the weekly staff meetings in the larger offices and on an individual basis in the smaller offices. Fifty-eight percent of all persons randomly assigned were recommended for OJTs, 33 percent for other services, and 10 percent for classroom occupational training. Random assignment calls were made on a batched basis at scheduled times, though individual calls at other times were also possible.

Over the course of random assignment, client recruitment became more of a problem because of the decline in the unemployment rate. The SDA made extensive changes in recruitment materials and introduced new procedures to retain a higher percent of applicants in the program. Two small programs (one funded by the state for welfare recipients as a lead into JTPA and a second for hard-to-serve youth) experienced special recruitment problems and were exempt from the study. Staff did notice that over time they were working with less skilled clients.

Random assignment began in this SDA in November 1987 and continued through August 1989, reaching a total sample of 3,608.

NORTHWEST MINNESOTA PRIVATE INDUSTRY COUNCIL (Crookston and Thief River Falls)

Study Context

The Northwest Minnesota Private Industry Council (PIC) serves seven counties (Kittson, Marshall, Norman, Pennington, Polk, Red Lake, and Roseau), which comprise a very rural area in the corner of the state abutting North Dakota and Canada. The population of the entire SDA is about 100,000, and its three largest towns (Crookston, East Grand Forks, and Thief River Falls) each has slightly under 10,000 residents. The population is primarily white, and about 11 percent of all families had incomes under the federal poverty level in 1979.

The local economy is agriculture-based, with farming, food processing, and related trade being the major industries. The severe winters make for a short growing season, and sugar beets, potatoes, and wheat are the primary crops. The unemployment rate in the SDA stood at 10.3 percent in 1984 and remained above 9 percent until 1987, when it dropped to 8.6 percent. The average annual wage of $13,600 was the lowest of any SDA in the study.

The Program

The PIC is an incorporated nonprofit organization that is the JTPA grant recipient. It does some client recruitment, but the high unemployment rate has allowed the JTPA program to rely primarily on walk-ins and referrals from other social service and education agencies. The Minnesota Job Service operates most of the JTPA program in the SDA under a subcontract from the PIC. In offices in Crookston and Thief River Falls, Job Service staff offer the usual state employment service job listings plus JTPA and other state-funded programs for welfare recipients. The local community action agency conducts intake for a small older workers' program which provides work experience and job search assistance.

Job Service staff directly provide job search assistance, career exploration, OJT, and work experience. They refer people interested in classroom occupational training to the local community college, technical institute, or campus of the state university. Those seeking adult basic education and a GED are referred to a local adult learning center for services. A local technical institute also provides an intensive job search assistance course, primarily for those participating in classroom occupational training. OJT and classroom occupational training are the two most common Title IIA activities.

In program year 1986, 408 people were terminated from Title IIA, with adults making up 57 percent of all terminees. High school dropouts made up about 15 percent of adult terminees, as did AFDC recipients. Among youth, dropouts were only 2 percent of those served and AFDC recipients only 7 percent. Average time in the program was 21 weeks for adults and 29 weeks for youth.

In program year 1986, the SDA met all its performance standards except the youth entered employment rate.

Study Implementation

Job Service staff offered all those who inquired about their services an orientation to the various programs available. Those who appeared to be eligible for JTPA and interested in its services then completed a JTPA application. Job Service staff then determined JTPA eligibility, conducted an assessment of needs, and designated appropriate services.

Study procedures were integrated into the usual Job Service intake by completion of the background information form and informed consent form during an initial meeting with the client. In Thief River Falls, much of this paperwork was done in a group, while the Crookston staff completed study forms during an individual meeting with clients. Choice of the appropriate activity category was typically made based on an individual meeting with the client, during which an assessment of needs, interests, and current skills was made. Staff then called MDRC for random assignment and informed the client of the result and next steps.

The main issue that had to be addressed in implementing the study concerned a state-funded welfare employment program (PATHS). The Job Service had a contractual obligation to use JTPA funds to serve welfare recipients referred by the county welfare departments. These referrals were excluded from random assignment and were not a part of the study.

Random assignment began in August 1988 and ended in May 1989. The SDA slightly exceeded its target sample of 550. Virtually all those randomly assigned had been recommended for intensive services such as OJT (69 percent) and classroom occupational training (31 percent).

OAKLAND (California)

Study Context

The city of Oakland, with a population of 340,000, is one of 49 service delivery areas in California. Its population is approximately 40 percent white, 30 percent black, 25 percent Asian, and 5 percent other minorities. There are 6,300 residents per square mile, and 8.7 percent of the families had incomes below the federal poverty level in 1979.

Major industries are transportation (including shipping), manufacturing, government, and health care. Large employers are Kaiser, Pacific Bell, Merritt-Peralta Medical Supplies, Civic Gas and Electric, and Childrens Hospital. The unemployment rate fluctuated in the years preceding the study's implementation: It was 7.0 percent in 1984, 6.8 percent in 1985, 8.7 percent in 1986, and 7.7 percent in 1987. The overall average wage in the city was $22,000 in program year 1986.

The Program

The Private Industry Council (PIC) is incorporated and shares administrative responsibility for the program with the City of Oakland. The city is also the grant recipient and planning entity for the program. The PIC and city have defined their oversight and administrative functions so that the city is responsible for determining applicants' eligibility for programs and for tracking participation in the SDA's programs, while the PIC awards and monitors contracts for services.

A subsidiary of the PIC – the Oakland Private Sector Corporation (OPSC) – provides direct client services. The SDA also contracts with numerous outside agencies to provide services to the eligible population. Outside of OPSC, contracts tend to be targeted to serve particular subgroups or to provide training through one of three activity categories defined for the research. All subcontracts are performance-based.

Classroom occupational skills training is the predominant activity. Seven of the contractors (community-based, private for-profit, and non-profit organizations) provided classroom training. Two of these also had contracts to provide OJT, along with another contractor who was also funded to develop OJTs, primarily with the Korean population. Two other contractors provided job search services, with one of them targeting services to people 55 and over and the other enrolling veterans.

OPSC, the largest contractor, provides classroom training, OJT, and other services to all JTPA-eligibles and conducts an older workers' program with Title IIA 3 percent and 78 percent funds. At the same time the study began, a new program, funded through Title IIA 6 percent funds, was initiated to provide training in non-traditional jobs. The Center for Employment and Training (CET), the second largest contractor, conducts training programs in four occupational areas – office occupations, shipping and receiving, auto mechanics, and maintenance – and provides a small number of OJTs.

In program year 1986, there were 934 people terminated from Title IIA. Sixty-one percent were adults and 39 percent were youth. Youth, 40 percent of them AFDC recipients and 4 percent of them dropouts, averaged 11 weeks in the program. Fifty-four percent were 18 or older and 56 percent were students. Adults averaged 12 weeks in the program. Fourteen percent were dropouts and 15 percent were AFDC recipients.

In program year 1986, the SDA met all its performance standards.

Study Implementation

The procedures for the study were integrated into the normal operations of the SDA with relatively few changes in the flow. However, the involvement of multiple organizations, providing different services to different subgroups, made the process of adapting the study to the site complex. Because of multiple population subgroups with varying degrees of proficiency in English, the agreement to participate form was translated into nine languages. In addition, the exclusion of several programs and all youth from the study sample complicated the initial screening process.

Youth were excluded from the study because of recruitment problems with this group. A residential treatment program for court-referred offenders was excluded. Also excluded was a basic education program funded through Title IIA 8 percent funds. These funds were carried over from the previous year and then targeted to serve AFDC recipients in a state welfare-to-work initiative. Also exempted from the study were a program provided through an agreement with the Department of Vocational Rehabilitation to place people with handicaps in jobs and a program for homeless individuals (paid for with 6 percent funds).

Although contractors were responsible for recruitment for their own programs, people also applied to JTPA by going to the SDA's central intake unit. In order to identify the correct treatment categories for applicants, providers were divided into two groups: those that offered only one major category of service (classroom training, OJT, or job search) and those that could offer multiple types of services. The first group was labeled "single service providers" and the second group, represented by CET and OPSC, "multiple service providers." The following description of the flow is the same for both groups, except that CET and OPSC completed most of their assessment, recommended people for activity categories, and placed the random assignment phone call themselves *after* eligibility had been determined.

In most cases, clients applied for programs directly at the service provider. In these instances, contractors conducted program orientations and assessments, which varied in length and intensity. During the initial meeting(s), the study was explained and the background information form (BIF) was given to the applicant along with other intake documents needed for the eligibility interview. Contractors, particularly those that served predominantly limited-English-speaking clients, sometimes helped applicants complete the BIF. Eligibility interviews with city staff were then scheduled at either the central intake unit or the service provider site. The BIF was finalized, the agreement to participate form signed, and the random assignment phone call made during this interview, assuming all supporting documentation was available.

As noted above, some clients applied directly to the JTPA office. Applicants whose initial point of contact was the central intake unit had their eligibility determined and the study explained. Then they signed the BIF and agreement to participate form. After a brief assessment of interest, the appropriate activity category was identified and random assignment took place, followed by the referral of those in the treatment group to the appropriate provider.

Random assignment began in July 1988 and ended in March 1989, with 1,072 people randomly assigned, slightly more than the targeted sample. Classroom training in occupational skills was the predominant activity, with 50 percent of the sample recommended for this activity group; 8 percent were recommended for OJT.

PROVIDENCE/CRANSTON (Rhode Island)

Study Context

The Providence/Cranston SDA serves these two adjacent, older urban areas in northeast Rhode Island. Providence, with a population of approximately 155,000, is the state capital and largest city in the state, while Cranston has approximately 70,000 residents. About 8 percent of the residents of the SDA are blacks, and all minority groups comprise 13 percent of the total population. Nine percent of families in the SDA had incomes below the poverty level in 1979.

The Providence/Cranston area has historically been one of the most industrialized in the country, with a higher than usual percent of employment in manufacturing. In recent years, several of the state's major employers (makers of jewelry and silverware and the U.S. Navy) have cut back employment, but other sectors (including services) have grown with the New England recovery of the early and mid-1980s. Unemployment in the SDA stood at 7.2 percent in 1984, but dropped to 4.3 percent in 1987 as the SDA benefited from the booming regional high tech and services economy. The average annual wage in the SDA in program year 1986 was $17,000.

The Program

The Providence/Cranston Job Training Partnership (PCJTP) is the grant recipient and administers the program through offices in each of the two cities in the SDA. Recruitment of clients, done by both the PCJTP and service providers, has become increasingly a challenge as the area's unemployment rate dropped throughout the mid-1980s. Intake, eligibility determination, assessment, and counseling are performed by the SDA staff in each office, though the Cranston office must file case documentation of eligibility in the main Providence office before assessment can be scheduled.

PCJTP staff arrange OJTs for clients, but the remainder of SDA services are provided by subcontractors operating under a mix of performance-based and unit-cost contracts. Among the services provided in this way have been adult basic education, English as a second language, classroom occupational training, vocational exploration programs (pre-employment skills and work experience for youth), and job clubs.

Of the 639 persons terminated from Title IIA activities in program year 1986, 54 percent were adults and 46 percent were youth. High school dropouts comprise 27 percent of adult terminees, and AFDC recipients were 35 percent of terminees. For adults, the average enrollment in the program was 12 weeks. The youth served in this SDA are among the most disadvantaged in the study: 21 percent are high school dropouts (the second highest percentage in study SDAs), and 44 percent are receiving AFDC (the highest percentage in the study). Average participation in the program for youth in program year 1986 was 7 weeks, with many being served in the vocational exploration program.

The SDA met all its performance standards in program year 1986.

Study Implementation

PCJTP staff conduct intake, eligibility determination, and assessment of applicants. The background information form and informed consent form were completed as part of an assessment interview. During the assessment interview, the counselor determined whether further testing was required. If not, as was often the case for those recommended for OJT, job search assistance, and vocational exploration, staff called MDRC for random assignment during the assessment interview and informed the client of the result at that time. If further testing was needed, as was possible for classroom occupational training, this additional assessment was completed before random assignment occurred.

The increasing difficulty the SDA faced in recruiting clients because of the decline in the area's unemployment rate created issues in the implementation of the study. Early in random assignment, the SDA encountered serious problems recruiting youth and meeting the required 40 percent of expenditures for services to youth. This was soon followed by problems recruiting adults. To allow continuation of the study, the random assignment ratio was changed to ease the recruitment difficulties. Service providers also did less intensive testing of applicants, and some shifted to individualized open/entry, open/exit services as opposed to traditional group training.

The SDA did not meet two of its adult standards in program year 1987, in part because of the attention paid throughout the year to the problems in youth programs. As mentioned in Chapter 4, the state did not adopt adjustments in the performance standards suggested by the U.S. Department of Labor, and incentive funds to the SDA declined as a result.

Random assignment began in this SDA in November 1987 and ended in September 1989, with the SDA meeting its sample target.

APPENDIX C

TABLES COMPARING PARTICIPATING SDAs WITH THE OTHER SDAs CONTACTED DURING SITE RECRUITMENT AND WITH THE POOL OF POTENTIAL SDAs FOR THE STUDY

TABLE C.1

SELECTED CHARACTERISTICS AND PERFORMANCE STANDARDS OF SDAs CONTACTED DURING SITE RECRUITMENT, BY PARTICIPATION STATUS

Characteristic/ Performance Standard	Participating SDAs	Non-Participating SDAs	Total
LOCAL SETTING			
Unemployment Rate in Program Year 1986 (%)			
Low (0% or more but less than 5%)	6.3	18.8	17.9
Medium (5% or more but less than 8%)	50.0	49.8	49.8
High (8% or more)	43.8	31.5	32.3
Average SDA Unemployment Rate (% in program year 1986)	7.8	7.4	7.4
Change in SDA Unemployment Rate from 1985 to 1986 (%)			
Decreased more than 1 percentage point	18.8	8.9	9.6
Decreased no more than 1	25.0	21.2	21.5
Increased less than 1 or stayed the same	43.8	41.5	41.7
Increased 1 or more	12.5	28.3	27.2
Average Change in SDA Unemployment Rate from 1985 to 1986 (percentage points)	0.1	-0.3	-0.3
Population Density (%)			
Less than 500 persons per square mile	75.0	66.7	67.2
500 or more but less than 1,000	6.3	9.9	9.6
1,000 or more but less than 5,000	6.3	13.1	12.7
5,000 or more	12.5	10.3	10.5
Average Population Density (persons per square mile)	1,245	1,172	1,177**
SIZE OF PROGRAM IN PROGRAM YEAR 1986			
Terminees from Title IIA (%)			
Less than 750	50.1	20.1	22.3
750 or more but less 1,000	25.0	18.8	19.2
1,000 or more but less than 1,500	12.5	19.7	19.2
1,500 or more	12.5	41.3	39.3
Average Terminees from Title IIA	957	1,957	1,888

(continued)

TABLE C.1 (continued)

Characteristic/ Performance Standard	Participating SDAs	Non-Participating SDAs	Total
CHARACTERISTICS OF PEOPLE SERVED UNDER TITLE IIA IN PROGRAM YEAR 1986			
White Terminees (%)			
Less than 25%	25.0	16.9	17.5
25% or more but less than 50%	12.5	30.5	29.3
50% or more but less than 75%	18.8	21.1	21.0
75% or more	43.8	31.5	32.3
Average White Terminees (%)	59.8	54.9	55.3
High School Dropouts (%)			
Less than 25%	56.3	55.9	55.9
25% or more but less than 50%	43.8	43.7	43.7
50% or more but less than 75%	0.0	0.5	0.4
75% or more	0.0	0.0	0.0
Average High School Dropouts (%)	25.5	24.7	24.8
Adult High School Graduates (%)			
Less than 25%	0.0	0.0	0.0
25% or more but less than 50%	0.0	0.9	0.9
50% or more but less than 75%	37.5	49.8	48.9
75% or more	62.5	49.3	50.2
Average Adult High School Graduates (%)	75.7	74.8	74.9
Welfare Recipient (%)			
Less than 25%	56.3	44.1	45.0
25% or more but less than 50%	37.5	47.9	47.2
50% or more but less than 75%	6.3	8.0	7.9
75% or more	0.0	0.0	0.0
Average Welfare Recipients (%)	26.9	28.8	28.8
PERFORMANCE STANDARDS[a]			
Adjusted[b] Adult Entered Employment Rate (%)[c]			
Less than 0 percentage points	6.3	8.9	8.7
0 or more but less than 5	0.0	15.5	14.4
5 or more but less than 10	18.8	24.9	24.5
10 or more but less than 15	37.5	19.7	21.0
15 or more	37.5	31.0	31.5
Average Adjusted Adult Entered Employment Rate (%)	14.3	10.4	10.7*

(continued)

TABLE C.1 (continued)

Characteristic/ Performance Standard	Participating SDAs	Non-Participating SDAs	Total
Adjusted Wage at Placement (%)[d]			
Less than $0	26.7	9.6	10.7
$0 or more but less than $1	6.7	4.8	4.9
$1 or more but less than $2	0.0	7.7	7.1
$2 or more	66.7	78.0	77.2
Average Adjusted Wage at Placement ($)	0.36	0.46	0.45
Adjusted Welfare Entered Employment Rate (%)[e]			
Less than 0 percentage points	0.0	7.8	7.3
0 or more but less than 5	6.3	17.6	16.7
5 or more but less than 10	25.0	21.0	21.3
10 or more	68.8	53.7	54.8
Average Adjusted Welfare Entered Employment Rate (%)	18.8	11.9	12.4**
Adjusted Average Cost per Entered Employment (%)[f]			
Less than -$2,500	25.0	15.0	15.7
-$2,500 or more but less than -$1,000	50.0	62.4	61.6
-$1,000 or more but less than $0	25.0	17.4	17.9
$0 or more	0.0	5.2	4.8
Average Adjusted Average Cost per Entered Employment ($)	-1,595	-1,615	-1,613
Adjusted Youth Entered Employment Rate (%)[g]			
Less than 0 percentage points	6.3	16.4	15.7
0 or more but less than 5	31.3	9.9	11.4
5 or more but less than 10	12.5	15.1	14.9
10 or more	50.0	58.5	57.9
Average Adjusted Youth Entered Employment Rate (%)	11.3	13.5	13.3

(continued)

TABLE C.1 (continued)

Characteristic/ Performance Standard	Participating SDAs	Non-Participating SDAs	Total
Adjusted Cost per Positive Termination (%)[h]			
Less than -$2,500	12.5	15.5	15.3
-$2,500 or more but less than -$1,000	50.0	55.9	55.5
-$1,000 or more but less than $0	31.3	23.5	24.0
$0 or more	6.3	5.2	5.2
Average Adjusted Cost per Positive Termination ($)	-1,474	-1,513	-1,510
Adjusted Youth Positive Termination Rate (%)[i]			
Less than 0 percentage points	6.3	13.6	13.2
0 or more but less than 5	6.3	23.5	22.3
5 or more but less than 10	37.5	24.4	25.3
10 or more but less than 15	37.5	24.4	25.3
15 or more	12.5	14.1	14.0
Average Adjusted Youth Positive Termination Rate (%)	10.4	7.5	7.7
LENGTH OF PROGRAM SERVICES UNDER TITLE IIA IN PROGRAM YEAR 1986			
Weeks of Enrollment for Adults (%)			
Less than 10	6.3	8.5	8.3
10 or more but less than 20	43.8	60.1	59.0
20 or more but less than 30	43.8	26.8	27.9
30 or more	6.3	4.7	4.8
Average Weeks of Enrollment for Adults	18.3	17.2	17.3
Weeks of Enrollment for Youth (%)			
Less than 10	6.3	7.5	7.4
10 or more but less than 20	37.5	61.5	59.8
20 or more but less than 30	50.0	24.9	26.6
30 or more	6.3	6.1	6.1
Average Weeks of Enrollment for Youth	19.9	17.9	18.1
Sample Size	16	213	229

(continued)

TABLE C.1 (continued)

SOURCE: JTPA Annual Status Report (JASR) for program year 1986.

NOTES: Due to missing data, the sample size for individual SDA characteristics varies from 15 to 16 for participating SDAs and from 209 to 213 for non-participating SDAs.

An F-test was applied to differences (for unweighted *averages* only) between participating SDAs and the pool of potential SDAs (not including those that participated in the study).

[a] State performance standards for individual SDAs are set by governors and are intended to reflect local labor market conditions and characteristics of persons served.

[b] Adjusted adult entered employment rate is the SDA's actual adult entered employment rate minus its performance standard. Other adjusted measures of performance are calculated similarly.

[c] The percent of all adult terminees who entered employment.

[d] Average hourly wage of adults who entered employment at termination.

[e] The percent of all adult welfare recipient terminees who entered employment.

[f] Total expenditures for adults divided by the number of adults who entered employment.

[g] The percent of all youth terminees who entered employment.

[h] Total expenditures for youth divided by the number of youth who had a positive termination. (See footnote i.)

[i] The percent of all youth terminees who had a positive termination: either entered employment or met one of the employability enhancement definitions.

TABLE C.2

SELECTED CHARACTERISTICS AND PERFORMANCE STANDARDS OF SDAs CONTACTED DURING SITE RECRUITMENT, BY PARTICIPATION STATUS (WEIGHTED BY NUMBER OF TERMINEES)

Characteristic/ Performance Standard	Participating SDAs	Non-Participating SDAs	Total
LOCAL SETTING			
Unemployment Rate in Program Year 1986 (%)			
Low (0% or more but less than 5%)	4.2	10.3	10.0
Medium (5% or more but less than 8%)	44.4	53.6	53.3
High (8% or more)	51.5	36.1	36.7
Average SDA Unemployment Rate (% in program year 1986)	8.1	7.7	7.8
Change in SDA Unemployment Rate from 1985 to 1986 (%)			
Decreased more than 1 percentage point	16.6	9.8	10.0
Decreased no more than 1	15.6	19.1	19.0
Increased less than 1 or stayed the same	53.4	34.5	35.2
Increased 1 or more	14.3	36.8	35.8
Average Change in SDA Unemployment Rate from 1985 to 1986 (percentage points)	-0.1	-0.3	-0.3
Population Density (%)			
Less than 500 persons per square mile	76.2	50.6	51.5
500 or more but less than 1,000	5.6	10.8	10.6
1,000 or more but less than 5,000	4.2	13.7	13.4
5,000 or more	14.0	24.8	24.4
Average Population Density (persons per square mile)	1,258	2,083	2,054
SIZE OF PROGRAM IN PROGRAM YEAR 1986			
Terminees from Title IIA (%)			
Less than 750	30.5	5.6	6.5
750 or more but less 1,000	23.2	8.4	8.9
1,000 or more but less than 1,500	15.2	12.4	12.5
1,500 or more	31.2	73.6	72.1
Average Terminees from Title IIA	1,371	6,787	6,595*

(continued)

TABLE C.2 (continued)

Characteristic/ Performance Standard	Participating SDAs	Non-Participating SDAs	Total
CHARACTERISTICS OF PEOPLE SERVED UNDER TITLE IIA IN PROGRAM YEAR 1986			
White Terminees (%)			
Less than 25%	25.5	36.6	36.2
25% or more but less than 50%	9.7	27.0	26.4
50% or more but less than 75%	35.2	16.2	16.9
75% or more	29.5	20.1	20.5
Average White Terminees (%)	56.2	42.1	42.6
High School Dropouts (%)			
Less than 25%	42.2	46.3	46.2
25% or more but less than 50%	57.8	53.5	53.6
50% or more but less than 75%	0.0	0.2	0.2
75% or more	0.0	0.0	0.0
Average High School Dropouts (%)	27.6	26.8	26.8
Adult High School Graduates (%)			
Less than 25%	0.0	0.0	0.0
25% or more but less than 50%	0.0	0.4	0.4
50% or more but less than 75%	50.6	61.6	61.2
75% or more	49.4	38.0	38.4
Average Adult High School Graduates (%)	73.5	73.3	73.3
Welfare Recipients (%)			
Less than 25%	64.4	47.9	48.5
25% or more but less than 50%	31.3	41.6	41.2
50% or more but less than 75%	4.4	10.5	10.3
75% or more	0.0	0.0	0.0
Average Welfare Recipients (%)	24.4	28.6	28.5
PERFORMANCE STANDARDS[a]			
Adjusted[b] Adult Entered Employment Rate (%)[c]			
Less than 0 percentage points	4.4	8.5	8.4
0 or more but less than 5	0.0	12.4	12.0
5 or more but less than 10	15.7	27.2	26.8
10 or more but less than 15	45.8	25.8	26.5
15 or more	34.1	26.1	26.4
Average Adjusted Adult Entered Employment Rate (%)	14.9	10.7	10.8

(continued)

TABLE C.2 (continued)

Characteristic/ Performance Standard	Participating SDAs	Non-Participating SDAs	Total
Adjusted Wage at Placement (%)[d]			
Less than $0	20.7	8.9	9.3
$0 or more but less than $1	7.3	8.4	8.3
$1 or more but less than $2	0.0	10.1	9.8
$2 or more	72.0	72.6	72.6
Average Adjusted Wage at Placement ($)	0.42	0.39	0.39
Adjusted Welfare Entered Employment Rate (%)[e]			
Less than 0 percentage points	0.0	7.0	6.7
0 or more but less than 5	5.6	14.8	14.5
5 or more but less than 10	15.8	31.1	30.5
10 or more	78.7	47.1	48.3
Average Adjusted Welfare Entered Employment Rate (%)	19.9	11.7	11.9**
Adjusted Average Cost per Entered Employment (%)[f]			
Less than -$2,500	21.1	21.9	21.8
-$2,500 or more but less than -$1,000	59.8	60.8	60.8
-$1,000 or more but less than $0	19.2	13.1	13.3
$0 or more	0.0	4.2	4.0
Average Adjusted Average Cost per Entered Employment ($)	-1,589	-1,776	1,769
Adjusted Youth Entered Employment Rate (%)[g]			
Less than 0 percentage points	2.7	14.1	13.7
0 or more but less than 5	23.5	8.9	9.4
5 or more but less than 10	13.4	13.4	13.4
10 or more	60.4	63.6	63.5
Average Adjusted Youth Entered Employment Rate (%)	13.9	13.4	13.4

(continued)

TABLE C.2 (continued)

Characteristic/ Performance Standard	Participating SDAs	Non-Participating SDAs	Total
Adjusted Cost per Positive Termination (%)[h]			
Less than -$2,500	8.9	28.3	27.6
-$2,500 or more but less than -$1,000	42.3	53.0	52.6
-$1,000 or more but less than $0	44.3	15.2	16.3
$0 or more	4.4	3.5	3.5
Average Adjusted Cost per Positive Termination ($)	-1,275	-1,735	-1,719
Adjusted Youth Positive Termination Rate (%)[i]			
Less than 0 percentage points	4.4	9.1	8.9
0 or more but less than 5	4.1	31.4	30.4
5 or more but less than 10	46.8	27.1	27.8
10 or more but less than 15	31.8	17.1	17.6
15 or more	13.0	15.3	15.2
Average Adjusted Youth Positive Termination Rate (%)	10.9	7.9	8.0
LENGTH OF PROGRAM SERVICES UNDER TITLE IIA IN PROGRAM YEAR 1986			
Weeks of Enrollment for Adults (%)			
Less than 10	5.0	13.6	13.3
10 or more but less than 20	57.9	66.7	66.4
20 or more but less than 30	32.7	16.5	17.1
30 or more	4.4	3.2	3.2
Average Weeks of Enrollment for Adults	17.0	15.3	15.4
Weeks of Enrollment for Youth (%)			
Less than 10	4.2	7.4	7.3
10 or more but less than 20	32.4	68.8	67.5
20 or more but less than 30	56.9	18.9	20.2
30 or more	6.5	4.9	5.0
Average Weeks of Enrollment for Youth	19.8	16.8	16.9
Sample Size	16	213	229

(continued)

TABLE C.2 (continued)

SOURCE: JTPA Annual Status Report (JASR) for program year 1986.

NOTES: Weighted numbers are calculated by weighting SDAs by a measure of the number of people served.

Due to missing data, the sample size for individual SDA characteristics varies from 15 to 16 for participating SDAs and from 209 to 213 for non-participating SDAs.

An F-test was applied to differences (for *averages* only) between participating SDAs and the pool of potential SDAs (not including those that participated in the study).

[a] State performance standards for individual SDAs are set by governors and are intended to reflect local labor market conditions and characteristics of persons served.

[b] Adjusted adult entered employment rate is the SDA's actual adult entered employment rate minus its performance standard. Other adjusted measures of performance are calculated similarly.

[c] The percent of all adult terminees who entered employment.

[d] Average hourly wage of adults who entered employment at termination.

[e] The percent of all adult welfare recipient terminees who entered employment.

[f] Total expenditures for adults divided by the number of adults who entered employment.

[g] The percent of all youth terminees who entered employment.

[h] Total expenditures for youth divided by the number of youth who had a positive termination. (See footnote i.)

[i] The percent of all youth terminees who had a positive termination: either entered employment or met one of the employability enhancement definitions.

TABLE C.3

ESTIMATED REGRESSION COEFFICIENTS FOR THE PROBABILITY OF AN SDAs AGREEING TO PARTICIPATE IN THE NATIONAL JTPA STUDY

Regressor or Statistic	Coefficient
LOCAL SETTING	
Region	
Northeast	0.004624
South	----
Midwest	0.169530**
West	0.021490
SDA Unemployment Rate (program year 1986)	0.000002
Change in SDA Unemployment Rate from 1985 to 1986 (percentage points)	0.000294*
Population Density (persons per square mile)	0.000036
SIZE OF PROGRAM IN PROGRAM YEAR 1986	
Terminees from Title IIA	-0.000007
CHARACTERISTICS OF PEOPLE SERVED UNDER TITLE IIA IN PROGRAM YEAR 1986	
Percent of Terminees Who Are White	0.068730
Percent of Terminees Who Are High School Dropouts	0.154020
Percent of Terminees Who Are Welfare Recipients	-0.096730
LENGTH OF PROGRAM SERVICES UNDER TITLE IIA IN PROGRAM YEAR 1986	
Average Weeks of Enrollment for Adults	-0.003367
Average Weeks of Enrollment for Youth	0.000570
ADULTS	
Entered Employment Rate[a]	0.000067
Adjusted[b] Entered Employment Rate	-0.000022
Welfare Entered Employment Rate[c]	-0.000004
Adjusted Welfare Entered Employment Rate	0.000039
Wage at Placement[d]	-0.000988
Adjusted Wage at Placement	0.000665

(continued)

TABLE C.3 (continued)

Regressor or Statistic	Coefficient
Cost per Entered Employment[e]	0.000062
Adjusted Cost per Entered Employment	-0.000025
YOUTH	
Positive Termination Rate[f]	0.000003
Adjusted Positive Termination Rate	0.000022
Entered Employment Rate[g]	-0.000015
Adjusted Entered Employment Rate	-0.000013
Cost per Positive Termination[h]	0.000029
Adjusted Cost per Positive Termination	-0.000022
Number of Observations	228
Number of Participating SDAs	16
Number of Other SDAs in Pool	212
Degrees of Freedom for Error	201
Error Mean Square	0.06
R Square	0.14
Mean of Dependent Variable	0.070
F Statistic	1.23
P Value of F Statistic	0.21
Sample Size	228

SOURCE: JTPA Annual Status Report (JASR) for program year 1986.

NOTES: The dependent variable in each regression equation was unity for an SDA that agreed to participate and zero otherwise.

A two-tailed t-test was applied to each coefficient estimate. Statistical significance levels are indicated as: * = 10 percent; ** = 5 percent; and *** = 1 percent.

The p value of the F statistic is the probability of obtaining these coefficient estimates if the true chance of an SDA participating in the study did not vary with any characteristic. Thus, the closer the p value is to zero, the more important are differences in characteristics between participating SDAs and non-participating SDAs.

[a] The percent of all adult terminees who entered employment.

[b] Adjusted adult entered employment rate is the SDA's actual entered employment rate minus its performance standard. Other adjusted measures of performance are calculated similarly.

[c] The percent of all adult welfare recipient terminees who entered employment.

[d] Average hourly wage of adults who entered employment at termination.

[e] Total expenditures for adults divided by the number of adults who entered employment.

[f] The percent of all youth terminees who had a positive termination: either entered employment or met one of the employability enhancement definitions.

[g] The percent of all youth terminees who entered employment.

[h] Total expenditures for youth divided by the number of youth who had a positive termination. (See footnote f.)

TABLE C.4

SELECTED CHARACTERISTICS AND PERFORMANCE STANDARDS OF PARTICIPATING SDAs AND THE POOL OF POTENTIAL SDAs FOR THE STUDY

Characteristic/ Performance Standard	Participating SDAs	Non-Participating SDAs	Pool of Participating SDAs
LOCAL SETTING			
Unemployment Rate in Program Year 1986 (%)			
Low (0% or more but less than 5%)	6.3	14.5	14.3
Medium (5% or more but less than 8%)	50.0	45.5	45.6
High (8% or more)	43.8	40.0	40.1
Average SDA Unemployment Rate (% in program year 1986)	7.8	8.0	8.0
Change in SDA Unemployment Rate from 1985 to 1986 (%)			
Decreased more than 1 percentage point	18.8	15.3	15.4
Decreased no more than 1	25.0	22.5	22.6
Increased less than 1 or stayed the same	43.8	38.2	38.4
Increased 1 or more	12.5	24.0	23.6
Average Change in SDA Unemployment Rate from 1985 to 1986 (percentage points)	0.1	-0.1	-0.1
Population Density (%)			
Less than 500 persons per square mile	75.0	74.8	74.8
500 or more but less than 1,000	6.3	8.7	8.6
1,000 or more but less than 5,000	6.3	11.2	11.0
5,000 or more	12.5	5.4	5.6
Average Population Density (persons per square mile)	1,245	772	787
SIZE OF PROGRAM IN PROGRAM YEAR 1986			
Terminees from Title IIA (%)			
Less than 750	50.1	26.9	27.6
750 or more but less than 1,000	25.0	20.1	20.2
1,000 or more but less than 1,500	12.5	23.8	23.4
1,500 or more	12.5	29.3	28.7
Average Terminees from Title IIA	957	1,561	1,542

(continued)

TABLE C.4 (continued)

Characteristic/ Performance Standard	Participating SDAs	Non-Participating SDAs	Pool of Participating SDAs
CHARACTERISTICS OF PEOPLE SERVED UNDER TITLE IIA IN PROGRAM YEAR 1986			
White Terminees (%)			
Less than 25%	25.0	13.5	13.9
25% or more but less than 50%	12.5	25.6	25.2
50% or more but less than 75%	18.8	21.9	21.8
75% or more	43.8	38.9	39.1
Average White Terminees (%)	59.8	59.9	59.9
High School Dropouts (%)			
Less than 25%	56.3	54.9	55.0
25% or more but less than 50%	43.8	44.7	44.6
50% or more but less than 75%	0.0	0.4	0.4
75% or more	0.0	0.0	0.0
Average High School Dropouts (%)	25.5	24.7	24.8
Adult High School Graduates (%)			
Less than 25%	0.0	0.0	0.0
25% or more but less than 50%	0.0	1.6	1.6
50% or more but less than 75%	37.5	49.0	48.6
75% or more	62.5	49.4	49.8
Average Adult High School Graduates (%)	75.7	74.2	74.3
Welfare Recipients (%)			
Less than 25%	56.3	44.5	44.8
25% or more but less than 50%	37.5	46.1	45.8
50% or more but less than 75%	6.3	9.2	9.1
75% or more	0.0	0.2	0.2
Average Welfare Recipients (%)	26.9	28.8	28.8
PERFORMANCE STANDARDS[a]			
Adjusted[b] Adult Entered Employment Rate (%)[c]			
Less than 0 percentage points	6.3	8.4	8.4
0 or more but less than 5	0.0	15.0	14.5
5 or more but less than 10	18.8	24.8	24.6
10 or more but less than 15	37.5	21.8	22.0
15 or more	37.5	30.3	30.6
Average Adjusted Adult Entered Employment Rate (%)	14.3	10.5	10.6*

(continued)

TABLE C.4 (continued)

Characteristic/ Performance Standard	Participating SDAs	Non-Participating SDAs	Pool of Participating SDAs
Adjusted Wage at Placement (%)[d]			
Less than $0	26.7	12.7	13.1
$0 or more but less than $1	6.7	6.6	6.6
$1 or more but less than $2	0.0	9.5	9.3
$2 or more	66.7	71.2	71.0
Average Adjusted Wage at Placement ($)	0.36	0.41	0.40
Adjusted Welfare Entered Employment Rate (%)[e]			
Less than 0 percentage points	0.0	7.0	6.7
0 or more but less than 5	6.3	17.4	17.0
5 or more but less than 10	25.0	20.2	20.3
10 or more	68.8	55.4	55.9
Average Adjusted Welfare Entered Employment Rate (%)	18.8	11.9	12.1**
Adjusted Average Cost per Entered Employment (%)[f]			
Less than -$2,500	25.0	15.2	15.5
-$2,500 or more but less than -$1,000	50.0	57.4	57.1
-$1,000 or more but less than $0	25.0	20.9	21.0
$0 or more	0.0	6.6	6.3
Average Adjusted Average Cost per Entered Employment ($)	-1,595	-1,511	-1,514
Adjusted Youth Entered Employment Rate (%)[g]			
Less than 0 percentage points	6.3	17.0	16.6
0 or more but less than 5	31.3	13.0	13.6
5 or more but less than 10	12.5	15.9	15.8
10 or more	50.0	54.1	54.0
Average Adjusted Youth Entered Employment Rate (%)	11.3	12.2	12.2

(continued)

TABLE C.4 (continued)

Characteristic/ Performance Standard	Participating SDAs	Non-Participating SDAs	Pool of Participating SDAs
Adjusted Cost per Positive Termination (%)[h]			
Less than -$2,500	12.5	13.3	13.3
-$2,500 or more but less than -$1,000	50.0	54.3	54.2
-$1,000 or more but less than $0	31.3	27.7	27.8
$0 or more	6.3	4.7	4.8
Average Adjusted Cost per Positive Termination ($)	-1,474	-1,448	-1,449
Adjusted Youth Positive Termination Rate (%)[i]			
Less than 0 percentage points	6.3	15.8	15.5
0 or more but less than 5	6.3	23.2	22.6
5 or more but less than 10	37.5	23.8	24.2
10 or more but less than 15	37.5	21.1	21.6
15 or more	12.5	16.2	16.1
Average Adjusted Youth Positive Termination Rate (%)	10.4	6.9	7.0
LENGTH OF PROGRAM SERVICES UNDER TITLE IIA IN PROGRAM YEAR 1986			
Weeks of Enrollment for Adults (%)			
Less than 10	6.3	6.1	6.2
10 or more but less than 20	43.8	54.1	53.8
20 more more but less than 30	43.8	31.8	32.1
30 or more	6.3	8.0	7.9
Average Weeks of Enrollment for Adults	18.3	18.8	18.8*
Weeks of Enrollment for Youth (%)			
Less than 10	6.3	4.5	4.6
10 or more but less than 20	37.5	53.5	53.0
20 or more but less than 30	50.0	33.8	34.3
30 or more	6.3	8.2	8.1
Average Weeks of Enrollment for Youth	19.9	19.4	19.4
Sample Size	16	488	504

(continued)

TABLE C.4 (continued)

SOURCE: JTPA Annual Status Report (JASR) for program year 1986.

NOTES: Due to missing data, the sample size for individual SDA characteristics varies from 15 to 16 for participating SDAs and from 487 to 504 for the pool of potential SDAs.

An F-test was applied to differences (for unweighted *averages* only) between participating SDAs and the pool of potential SDAs (not including those that participated in the study).

[a] State performance standards for individual SDAs are set by governors and are intended to reflect local labor market conditions and characteristics of persons served.

[b] Adjusted adult entered employment rate is the SDA's actual adult entered employment rate minus its performance standard. Other adjusted measures of performance are calculated similarly.

[c] The percent of all adult terminees who entered employment.

[d] Average hourly wage of adults who entered employment at termination.

[e] The percent of all adult welfare recipient terminees who entered employment.

[f] Total expenditures for adults divided by the number of adults who entered employment.

[g] The percent of all youth terminees who entered employment.

[h] Total expenditures for youth divided by the number of youth who had a positive termination. (See footnote i.)

[i] The percent of all youth terminees who had a positive termination: either entered employment or met one of the employability enhancement definitions.

TABLE C.5

SELECTED CHARACTERISTICS AND PERFORMANCE STANDARDS OF PARTICIPATING SDAs AND THE POOL OF POTENTIAL SDAs FOR THE STUDY (WEIGHTED BY NUMBER OF TERMINEES)

Characteristic/ Performance Standard	Participating SDAs	Non-Participating SDAs	Pool of Participating SDAs
LOCAL SETTING			
Unemployment Rate in Program Year 1986 (%)			
Low (0% or more but less than 5%)	4.2	11.4	11.2
Medium (5% or more but less than 8%)	44.4	45.6	45.6
High (8% or more)	51.5	43.0	43.1
Average SDA Unemployment Rate (% in program year 1986)	8.1	8.0	8.1
Change in SDA Unemployment Rate from 1985 to 1986 (%)			
Decreased more than 1 percentage point	0.0	6.4	6.3
Decreased no more than 1	16.6	8.0	8.2
Increased less than 1 or stayed the same	15.6	21.7	21.5
Increased 1 or more	67.7	64.0	64.1
Average Change in SDA Unemployment Rate from 1985 to 1986 (percentage points)	-0.1	-0.1	-0.1
Population Density (%)			
Less than 500 persons per square mile	76.2	63.8	64.0
500 or more but less than 1,000	5.6	9.5	9.4
1,000 or more but less than 5,000	4.2	12.4	12.2
5,000 or more	14.0	14.4	14.4
Average Population Density (persons per square mile)	1,258	1,366	1,364
SIZE OF PROGRAM IN PROGRAM YEAR 1986			
Terminees from Title IIA (%)			
Less than 750	30.5	10.2	10.6
750 or more but less than 1,000	23.2	11.2	11.4
1,000 or more but less than 1,500	15.2	18.7	18.6
1,500 or more	31.2	59.9	59.4
Average Terminees from Title IIA	1,371	5,109	5,035

(continued)

TABLE C.5 (continued)

Characteristic/ Performance Standard	Participating SDAs	Non-Participating SDAs	Pool of Participating SDAs
CHARACTERISTICS OF PEOPLE SERVED UNDER TITLE IIA IN PROGRAM YEAR 1986			
White Terminees (%)			
Less than 25%	25.5	26.9	26.9
25% or more but less than 50%	9.7	26.0	25.7
50% or more but less than 75%	35.2	17.6	17.9
75% or more	29.5	29.4	29.4
Average White Terminees (%)	56.2	49.6	49.7
High School Dropouts (%)			
Less than 25%	42.2	48.8	48.7
25% or more but less than 50%	57.8	48.5	48.7
50% or more but less than 75%	0.0	2.7	2.6
75% or more	0.0	0.0	0.0
Average High School Dropouts (%)	27.6	26.9	26.9
Adult High School Graduates (%)			
Less than 25%	0.0	0.0	0.0
25% or more but less than 50%	0.0	3.7	3.6
50% or more but less than 75%	50.6	54.6	54.5
75% or more	49.4	41.7	41.9
Average Adult High School Graduates (%)	73.5	72.5	72.5
Welfare Recipients (%)			
Less than 25%	64.4	50.0	50.3
25% or more but less than 50%	31.3	39.7	39.5
50% or more but less than 75%	4.4	10.2	10.1
75% or more	0.0	0.1	0.1
Average Welfare Recipients (%)	24.4	27.8	27.8
PERFORMANCE STANDARDS[a]			
Adjusted[b] Adult Entered Employment Rate (%)[c]			
Less than 0 percentage points	4.4	8.5	8.5
0 or more but less than 5	0.0	16.6	16.3
5 or more but less than 10	15.7	25.1	25.0
10 or more but less than 15	45.8	22.4	22.9
15 or more	34.1	27.2	27.4
Average Adjusted Adult Entered Employment Rate (%)	14.9	10.2	10.3*

(continued)

TABLE C.5 (continued)

Characteristic/ Performance Standard	Participating SDAs	Non-Participating SDAs	Pool of Participating SDAs
Adjusted Wage at Placement (%)[d]			
Less than $0	20.7	11.5	11.7
$0 or more but less than $1	7.3	10.3	10.3
$1 or more but less than $2	0.0	9.8	9.6
$2 or more	72.0	68.4	68.5
Average Adjusted Wage at Placement ($)	0.42	0.36	0.36
Adjusted Welfare Entered Employment Rate (%)[e]			
Less than 0 percentage points	0.0	8.7	8.6
0 or more but less than 5	5.6	15.0	14.8
5 or more but less than 10	15.8	26.4	26.2
10 or more	78.7	49.9	50.4
Average Adjusted Welfare Entered Employment Rate (%)	19.9	11.4	11.6**
Adjusted Average Cost per Entered Employment (%)[f]			
Less than -$2,500	21.1	18.7	18.7
-$2,500 or more but less than -$1,000	59.8	57.9	57.9
-$1,000 or more but less than $0	19.2	15.9	15.9
$0 or more	0.0	7.5	7.4
Average Adjusted Average Cost per Entered Employment ($)	-1,589	-1,575	-1,575
Adjusted Youth Entered Employment Rate (%)[g]			
Less than 0 percentage points	2.7	15.1	14.8
0 or more but less than 5	23.5	13.7	13.9
5 or more but less than 10	13.4	14.3	14.3
10 or more	60.4	56.9	57.0
Average Adjusted Youth Entered Employment Rate (%)	13.9	12.1	12.1

(continued)

TABLE C.5 (continued)

Characteristic/ Performance Standard	Participating SDAs	Non-Participating SDAs	Pool of Participating SDAs
Adjusted Cost per Positive Termination (%)[h]			
Less than -$2,500	8.9	20.5	20.3
-$2,500 or more but less than -$1,000	42.3	54.7	54.5
-$1,000 or more but less than $0	44.3	21.3	21.7
$0 or more	4.4	3.5	3.5
Average Adjusted Cost per Positive Termination ($)	-1,275	-1,612	-1,605
Adjusted Youth Positive Termination Rate (%)[i]			
Less than 0 percentage points	4.4	12.0	11.9
0 or more but less than 5	4.1	28.3	27.8
5 or more but less than 10	46.8	25.1	25.5
10 or more but less than 15	31.8	16.4	16.7
15 or more	13.0	18.2	18.1
Average Adjusted Youth Positive Termination Rate (%)	10.9	7.4	7.5
LENGTH OF PROGRAM SERVICES UNDER TITLE IIA IN PROGRAM YEAR 1986			
Weeks of Enrollment for Adults (%)			
Less than 10	5.0	9.3	9.2
10 or more but less than 20	57.9	58.9	58.9
20 more more but less than 30	32.7	23.6	23.8
30 or more	4.4	8.2	8.1
Average Weeks of Enrollment for Adults	17.0	17.6	17.6
Weeks of Enrollment for Youth (%)			
Less than 10	4.2	5.0	5.0
10 or more but less than 20	32.4	56.9	56.4
20 or more but less than 30	56.9	30.9	31.4
30 or more	6.5	7.2	7.2
Average Weeks of Enrollment for Youth	19.8	18.6	18.6
Sample Size	16	488	504

(continued)

TABLE C.5 (continued)

SOURCE: JTPA Annual Status Report (JASR) for program year 1986.

NOTES: Weighted numbers are calculated by weighting SDAs by a measure of the number of people served.

Due to missing data, the sample size for individual SDA characteristics varies from 15 to 16 for participating SDAs and from 487 to 504 for the pool of potential SDAs.

An F-test was applied to differences (for *averages* only) between participating SDAs and the pool of potential SDAs (not including those that participated in the study).

[a] State performance standards for individual SDAs are set by governors and are intended to reflect local labor market conditions and characteristics of persons served.

[b] Adjusted adult entered employment rate is the SDA's actual adult entered employment rate minus its performance standard. Other adjusted measures of performance are calculated similarly.

[c] The percent of all adult terminees who entered employment.

[d] Average hourly wage of adults who entered employment at termination.

[e] The percent of all adult welfare recipient terminees who entered employment.

[f] Total expenditures for adults divided by the number of adults who entered employment.

[g] The percent of all youth terminees who entered employment.

[h] Total expenditures for youth divided by the number of youth who had a positive termination. (See footnote i.)

[i] The percent of all youth terminees who had a positive termination: either entered employment or met one of the employability enhancement definitions.

TABLE C.6

ESTIMATED REGRESSION COEFFICIENTS FOR THE PROBABILITY OF AN SDA IN THE POOL OF POTENTIAL STUDY SITES PARTICIPATING IN THE STUDY

Regressor or Statistic	Coefficient
LOCAL SETTING	
Region	
Northeast	0.034520
South	----
Midwest	0.083940**
West	0.052890*
SDA Unemployment Rate (program year 1986)	-0.000036
Change in SDA Unemployment Rate from 1985 to 1986 (percentage points)	0.000087
Population Density (persons per square mile)	0.000079
SIZE OF PROGRAM IN PROGRAM YEAR 1986	
Terminees from Title IIA	-0.000006
CHARACTERISTICS OF PEOPLE SERVED UNDER TITLE IIA IN PROGRAM YEAR 1986	
Percent of Terminees Who Are White	0.012420
Percent of Terminees Who Are High School Dropouts	0.101760
Percent of Terminees Who Are Welfare Recipients	-0.068960
LENGTH OF PROGRAM SERVICES UNDER TITLE IIA IN PROGRAM YEAR 1986	
Average Weeks of Enrollment for Adults	-0.001036
Average Weeks of Enrollment for Youth	-0.000526
ADULTS	
Entered Employment Rate[a]	0.000048
Adjusted[b] Entered Employment Rate	-0.000044
Welfare Entered Employment Rate[c]	-0.000006
Adjusted Welfare Entered Employment Rate	0.000030
Wage at Placement[d]	-0.000516
Adjusted Wage at Placement	0.000321

(continued)

TABLE C.6 (continued)

Regressor or Statistic	Coefficient
Cost per Entered Employment[e]	0.000016
Adjusted Cost per Entered Employment	-0.000012
YOUTH	
Positive Termination Rate[f]	-0.000019
Adjusted Positive Termination Rate	0.000033
Entered Employment Rate[g]	-0.000014
Adjusted Entered Employment Rate	-0.000002
Cost per Positive Termination[h]	0.000015
Adjusted Cost per Positive Termination	-0.000008
Number of Observations	483
Number of Participating SDAs	16
Number of Other SDAs in Pool	467
Degrees of Freedom for Error	456
Error Mean Square	0.03
R Square	0.05
Mean of Dependent Variable	0.033
F Statistic	1.01
P Value of F Statistic	0.45
Sample Size	483

SOURCE: JTPA Annual Status Report (JASR) for program year 1986.

NOTES: The dependent variable in each regression equation was unity for an SDA that agreed to participate and zero otherwise.

A two-tailed t-test was applied to each coefficient estimate. Statistical significance levels are indicated as: * = 10 percent; ** = 5 percent; and *** = 1 percent.

The p value of the F statistic is the probability of obtaining these coefficient estimates if the true chance of an SDA participating in the study did not vary with any characteristic. Thus, the closer the p value is to zero, the more important are differences in characteristics between participating SDAs and other SDAs in the pool of potential study sites.

[a] The percent of all adult terminees who entered employment.

[b] Adjusted adult entered employment rate is the SDA's actual entered employment rate minus its performance standard. Other adjusted measures of performance are calculated similarly.

[c] The percent of all adult welfare recipient terminees who entered employment.

[d] Average hourly wage of adults who entered employment at termination.

[e] Total expenditures for adults divided by the number of adults who entered employment.

[f] The percent of all youth terminees who had a positive termination: either entered employment or met one of the employability enhancement definitions.

[g] The percent of all youth terminees who entered employment.

[h] Total expenditures for youth divided by the number of youth who had a positive termination. (See footnote f.)

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